

Witness name: Katie Farrington

Statement No: 1

Exhibits: KT9/01- KT9/45

Dated: 15 October 2025

## UK COVID-19 INQUIRY

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### WITNESS STATEMENT OF KATIE FARRINGTON CB

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I, **KATIE FARRINGTON**, will say as follows:

#### SECTION 1. INTRODUCTION

1. I make this statement in response to the request sent to me by the UK COVID-19 Inquiry (**'the Inquiry'**) dated 19 June 2025, referenced as M9/R9R/KF (**'Rule 9 Request'**) for Module 9 which concerns the approach of economic interventions taken by the UK government and the Devolved Administrations in response to the COVID-19 pandemic between 1 January 2020 and 28 June 2022 (**'the Specified Period'**). This is the first witness statement I have provided to the Inquiry.
2. First and foremost, I want to express my sympathy to everyone affected by the COVID-19 pandemic – those who lost loved ones, people who suffered serious illness, and everyone who faced significant challenges and upheaval during an extraordinary time. While these reflections are shaped by my own personal experiences, I also want to recognise the dedication demonstrated by my colleagues and the wider department

during a highly demanding time. It is important to reflect on this period, both out of respect for people who were affected and to ensure that the Government is better prepared for the future.

3. The Rule 9 Request raises a substantial number of questions and sub-questions. In substance, they all concern my role as the Director for Universal Credit and Employment Policy and Senior Responsible Officer ('**SRO**') for the Kickstart Scheme in the Department for Work and Pensions ('**DWP**'). This statement is drafted with regard to the corporate witness statement provided on behalf of the DWP for Module 9 ('**the DWP Corporate Statement**'). I would ask that this statement is read in conjunction with the DWP Corporate Statement.

## SECTION 2. QUALIFICATIONS AND BACKGROUND

4. I joined the Civil Service in October 1994, and, over the course of my career, I have held several roles across different departments, including the Department for Education ('**DfE**'), the Cabinet Office ('**CO**'), the Department of Health and Social Care ('**DHSC**'), and DWP.
5. Between 1 January 2020 and 8 June 2022, I served in two main roles within DWP. From January 2020 until March 2021, I was the Director for Universal Credit and Employment Policy. In this role, I was responsible for providing policy advice on several areas, including the Universal Credit Uplift and the Jobcentre regime. During the pandemic, I was the lead Director and Senior Responsible Officer for the Kickstart Scheme from late July 2020 to March 2021. The scheme was designed to support young people with finding employment. I was not responsible for Statutory Sick Pay ('**SSP**'), Job Entry Targeted Support ('**JETS**'), Restart, or wider labour market policy and analysis during this time, although I worked alongside colleagues who did lead each of these areas.
6. On 15 March 2021, I became acting Director General for Disability, Health and Pensions and in January 2022, I was formally appointed to this role [KT9/01 INQ000655305]. As Director General, I had overarching responsibility for the Department's policies related to disability, health, and pensions. In June 2025 I took up a new role in the Ministry for Housing, Communities and Local Government, as Director General for Buildings, Fire and Resilience.

**SECTION 3: COOPERATION AND JOINT WORKING**

7. Throughout the pandemic, I engaged in regular communication with officials at HM Treasury ('HMT'), particularly in the context of my areas of responsibility on Jobcentres, Universal Credit ('UC'), and young people. This relationship was supported by joint meetings, including the 'Senior Welfare AME Group' meetings chaired by the DWP Policy Director General, which I attended alongside other DWP and HMT colleagues. In the lead-up to the launch of the Plan for Jobs in July 2020, a joint team was established between DWP and HMT to coordinate efforts and ensure alignment on key priorities. I found this a helpful way of working closely together in the run-up to a major announcement. In addition, I invited HMT to join the Kickstart Scheme Delivery Board to ensure they remained fully informed and engaged in relevant developments [KT9/02-INQ000654458]. We also worked closely together on the Kickstart outline business case [KT9/03 INQ000655306]. These interactions reflected a shared commitment to cross-departmental collaboration and were vital in ensuring that DWP and HMT worked effectively together.
8. DWP does not have delegated authority for Annually Managed Expenditure ('AME') and must agree all decisions that affect AME with HMT, other than where the statutory responsibility sits with the DWP Secretary of State, such as annual benefit uprating. Labour market interventions and DWP's Jobcentre regime are treated as having an impact on AME because they could reduce the amount of money that the Government spends on benefits if people return to work more quickly. This means that in practice, DWP and HMT work very closely together on the design and operation of the social security system and on labour market interventions. In the early stages of the pandemic, DWP worked very closely with HMT colleagues to support rapid decision-making by both sets of Ministers. For example, the DWP Secretary of State sought formal approval from the Chief Secretary to the Treasury to close assessment centres on 13 March 2020 and received an approval later the same day [KT9/04-INQ000654451].
9. While HMT and DWP worked closely together on social security and labour market policy, HMT did not generally share other wider fiscal decisions in advance. For example, I do not believe that the decision to announce the Coronavirus Job Retention Scheme ('Furlough') on 20 March 2020, nor to extend the scheme in November 2020, was shared with me in advance, although these decisions may have been shared with other colleagues in DWP.

10. DWP structured its response to the pandemic around three phases: Respond, Run, and Recover. During the Respond phase, the Department focused on ensuring the timely payment of benefits, safeguarding vulnerable groups, and managing the rapid rise in new claims. This included the introduction of the uplift to Universal Credit and Working Tax Credits, and changes to SSP policies. The Run phase saw the Department develop and deliver plans for new labour market support interventions such as Kickstart and JETS. The Recover phase marked the start of restoring DWP services and a return to business-as-usual processes across the Department. Throughout these phases, regular communication between DWP and HMT was crucial, though the working relationship for each phase was different. In the initial phase, DWP rapidly agreed changes with HMT with a view to implementing the changes quickly. In relation to labour market delivery, HMT was closely involved in the design process and monitoring its progress. In business-as-usual, DWP is responsible for operational delivery and keeps HMT regularly informed of its progress.
11. As the Government began to respond to the pandemic in March 2020, I was in regular contact with officials from HMT about the appropriate response. For example, I shared my team's 17 March 2020 submission about the suspension of face-to-face mandatory requirements in Jobcentres with my HMT contact, so that he could also seek agreement from the Chief Secretary to the Treasury to this approach [KT9/05-INQ000654453]. My Universal Credit policy team also worked closely with HMT colleagues and spoke to them daily during the early stages of the pandemic. This close collaboration is the standard way that HMT and DWP manage fiscal decision-making, and it proved to be very effective in the early stages of the pandemic.
12. To avoid repetition, I address the cooperation and joint working that went into the implementation of the Universal Credit uplift and Kickstart schemes in their respective sections below.
13. As previously noted, I was not responsible for SSP, JETS, Restart, or broader labour market policy and analysis during this period. Given that I was not directly involved in this work, I am not best placed to comment on how cross-departmental decisions in these areas were made.
14. During the pandemic, labour market analysts in DWP, HMT, and other departments regularly discussed data and economic analysis related to the impact of the COVID-19 pandemic to inform discussions on how the Government should respond. DWP had a

labour market analysis team that conducted analysis, including economic scenarios, and I found this useful. DWP was also able to draw on real-time data, for example of the number of new people applying for Universal Credit, and to use that data to inform the labour market analysis.

15. From my perspective, I had access to all the information and data I needed to carry out my responsibilities effectively and felt well served by DWP analytical teams. Given this position, I did not feel the need to raise any concerns regarding information-sharing, either internally or with HMT.

#### Communication Channels

16. During the initial stages of the COVID-19 pandemic, informal communication, such as impromptu conversations and meetings played a supportive role in facilitating timely collaboration and initiating decision-making processes. While these informal channels were not used to conduct official DWP business, they served as a necessary means of enabling prompt engagement and coordination in the context of the intense workload and significant time pressure. In March 2020, DWP amended its Acceptable Use Policy ('AUP') to permit the use of personal telephones for official business. This amendment, necessitated by the sudden shift to remote working, authorised voice calls via personal devices. However, the use of SMS text messaging and personal email accounts for work-related purposes remained expressly prohibited.
17. Messaging services such as WhatsApp were used on personal devices as a means of maintaining contact and providing informal support to colleagues, particularly for periods when we were working at home and unable to see each other in the office. However, informal communication channels, including WhatsApp, were not authorised for conducting any official DWP business. I did not use WhatsApp or any other informal communication channels for official decision-making; I used my departmental email and Teams channel instead.
18. All significant decisions continued to be taken in accordance with established procedures. From the outset of the pandemic, there was a deliberate effort to maintain a clear and comprehensive audit trail of all decision-making. This was regarded as a matter of priority, given DWP's responsibility for the management of substantial public funds.

**SECTION 4: CHANGES TO UNIVERSAL CREDIT AND WORKING TAX CREDIT**

19. I was responsible for providing initial policy advice on changes to the Jobcentre regime in response to the pandemic. This included advice leading up to the decision to introduce the uplift to Universal Credit and Working Tax Credit ('WTC') from April 2020, as well as advice on the decision not to introduce an equivalent uplift for individuals receiving legacy benefits. My team also provided advice on the suspension of the Minimum Income Floor for self-employed UC claimants. I was not responsible for the subsequent decisions to extend the uplift in March 2021, the decision to remove the uplift from October 2021, or the decision to reintroduce the Minimum Income Floor from August 2021, as I had moved roles within DWP.
  
20. In March 2020, HMT was working on a package to respond immediately to the economic impacts of the pandemic. The focus was on what could be done quickly to give financial assistance to people losing their jobs, leaving the labour market and coming to claim Universal Credit as DWP's main unemployment benefit. I believe that HMT also viewed this as a way to give a fiscal stimulus to the economy.
  
21. Due to the need for rapid implementation, the focus was also on what DWP computer systems could deliver quickly. Changes to Universal Credit could be introduced at pace as it was a more modern benefit. However, for other benefit lines, changes could not be made so quickly. Our normal annual benefit uprating process begins in late November, and it takes many months to code benefit rate changes into the different benefit lines in turn.
  
22. Advice went to DWP Ministers on 25 March 2020 on a package of regulations to respond to the COVID-19 pandemic [KT9/06-INQ000592915]. The advice asked for Ministerial approval to lay regulations to increase the UC Standard Allowance by £20 a week and disapply the Minimum Income Floor for self-employed UC claimants. It stated that it was not operationally deliverable to increase the rate of Employment Support Allowance, Jobseeker's Allowance, or Income Support. The set of regulations also included a number of other changes to respond to the pandemic including changes to the rate of Local Housing Allowance. This advice was submitted immediately before the first national lockdown came into effect on 26 March 2020.

23. The Universal Credit uplift was a £20 per week increase to the Universal Credit standard allowance and Working Tax Credit basic element. This meant that for a single Universal Credit claimant (aged 25 or over), the standard allowance increased from £317.82 to £409.89 per month, which was an additional £1040 a year [KT9/07-INQ000654463].
24. The Universal Credit uplift was introduced to reinforce the social safety net in response to the economic disruption caused by the COVID-19 pandemic. The Government's objective was to provide targeted financial support to individuals most affected by the crisis, particularly those who experienced, or were at risk of experiencing, a loss of employment or substantial income and who were making a new claim for benefits for the first time.
25. All recipients of Universal Credit and Working Tax Credit automatically received the increase, as the payments were issued through the existing benefit systems without the need to apply. In March 2021, the Universal Credit uplift was extended for a further 6 months, and Working Tax Credits recipients received an equivalent one-off payment of £500. Working Tax Credits recipients received a one-off payment because it is calculated on an annual basis, so a six-month extension was not feasible. On 6 October 2021, the Universal Credit uplift was removed.
26. The Universal Credit uplift was just one of the ways that DWP provided additional support to people during the pandemic. In the early stages of the pandemic there was a very significant surge in demand for Universal Credit. In the four-week period ending 9 April 2020, 1.2 million additional people started a UC claim, 1 million more than the usual volume. In the five-week period ending 14 May 2020, a further 1.1 million people started a claim. The Department implemented several policy and operational changes in the early stages of the pandemic to process UC applications and payments. The policy objective of these changes was to ensure that Universal Credit (rather than the uplift) could be paid accurately and swiftly to people who were entitled to it, whilst at the same time paying heed to the wider government advice to minimise health risks. The suspension of these easements is outlined in Annex A of the DWP Corporate Witness Statement. Although I had moved posts in DWP by the time the easements were brought to an end, I consider the suspension dates of each easement to be appropriate, given the economic conditions as the country recovered from the pandemic.

27. The easements to the processes and controls were agreed with HMT so that DWP could respond to the increased demand for claims and maintain payment timeliness at the Department's standard expectation of 90%. The easements did achieve this objective, as 90% of claimants were paid on time and in full. The easements included:
- (a) The redeployment of nearly 11,000 staff from corporate or lower priority roles to critical services allowing the significant surge in claims to be managed effectively.
  - (b) The rollout of IT equipment to enable staff to work from home as they were no longer able to attend their workplace.
  - (c) The "Trust and Protect" regime, which meant accepting information from claimants over the phone and verifying evidence later via case reviews. This approach allowed for quicker payments while ensuring that necessary checks were conducted later.
  - (d) On 17 March 2020, DWP suspended all face-to-face assessments and most reassessments for health and disability benefits, including for the additional health-related amount of UC. Where possible, assessments were made on a paper-based review system, supplemented with a telephone call where necessary.
  - (e) On 19 March 2020, it was determined that people receiving benefits such as Universal Credit did not need to attend Jobcentre appointments, as had previously been the case, and on 24 March 2020, Jobcentres closed for face-to-face appointments unless necessary. In April 2020, the 'Don't call us, we'll call you' campaign began. A bolstered front-line team proactively called customers to verify any information provided as part of their Universal Credit claim, as well as messaging them on their online journal (a tool which belongs to the claimant and is used by both claimants and DWP staff to communicate with each other).
  - (f) For gainfully self-employed Universal Credit claimants, the Minimum Income Floor (an assumed level of income) was suspended. The regulations to suspend the Minimum Income Floor were introduced on 13 March 2020. This change made Universal Credit payments for these claimants more responsive

to a drop in self-employed income because of the pandemic. For DWP purposes, being gainfully self-employed means that an individual's self-employed work is:

- i. their main job or main source of income
- ii. organised, for example, they keep records of their business activities
- iii. developed, for example, they have a business plan or are advertising the work they do
- iv. regular, for example they have steady work now and in future
- v. expected to make a profit.

(g) DWP increased the Local Housing Allowance rates for Universal Credit and Housing Benefit claimants so that it covered the cheapest third of local rents.

- 28.** Many of these changes were introduced in the Social Security (Coronavirus) (Further Measures) Regulations 2020 and the Social Security (Coronavirus) (Further Measures) Amendment Regulations 2020. The Secretary of State for Work and Pensions, Thérèse Coffey, made the decision and approved the submission to lay the regulations on 25 March 2020, in response to changing public health guidance, the resulting surge in demand for Universal Credit, and the need to provide financial assistance to those who were at risk of losing employment or significant earnings due to the pandemic [KT9/06-INQ000592915], [KT9/08-INQ000653750].
29. The easements were introduced in response to the wider government advice to minimise health risk, the safety of DWP staff and members of the public, and to support effective delivery of DWP services. For example, when the lockdown came into force, it would not have been possible for members of the public to come to the Jobcentres to submit a UC claim, and it could have been risky for people with health conditions to come to a health assessment centre for an assessment. The easements were designed in order to facilitate the delivery of UC payments to new and existing claimants, including the uplift. I think it is important to understand the environment in which all government departments, including DWP, were operating during the COVID-19 pandemic. The global and national pace of events meant that decisions had to be made rapidly and, in a time-critical context.
30. During the COVID-19 pandemic, the pace of decision-making was necessarily accelerated due to the urgency and scale of the situation. My team and I worked closely

with officials from HMT and had discussions with Ministers as well as providing written policy advice to support timely decision-making. While decisions were taken quickly, they were made in accordance with established governance processes and departmental protocols. I consider that the processes used were adequate given the need to respond quickly to the circumstances of the pandemic.

31. Cross-departmental collaboration was achieved through both formal structures and pragmatic working-level collaboration, so decisions were properly agreed with both DWP Ministers and HMT Ministers. I do not recall any differences of view between DWP Ministers and HMT Ministers at this point in the pandemic – a time of rapid decision-making, during which DWP officials put advice to our Ministers and, in parallel, HMT officials put advice to their Ministers to confirm all major decisions that had a fiscal impact.
  
32. The purpose of the uplift to Universal Credit and Working Tax Credits was not to cover all the lost income that claimants were likely to face because of the pandemic. When the Chancellor of the Exchequer announced the uplift, alongside various other policy decisions on 20 March 2020, he recognised that there would nonetheless be “*hardship in the weeks ahead*” for some people and that it would not be possible to address everyone’s financial difficulties [KT9/09-INQ000654454]. The decision to uplift Universal Credit was to achieve three fiscal and social policy objectives:
  - (1) Financially assist those likely to face the most significant financial disruption due to the pandemic, for example, those who had lost or were at risk of losing employment or significant income and who as a result were making new claims for social security benefits for the first time having previously been financially self-sufficient.
  
  - (2) Provide this financial assistance rapidly without risking the stability of the social security system or delays in payments. As the Universal Credit system was designed to be able to adapt rapidly to changes, unlike legacy benefit systems, the Universal Credit uplift supported this objective.
  
  - (3) Provide a clear and easy to understand policy that would send a reassuring message to the public that the Government would invest significantly to protect the stability of the economy.

33. The three policy objectives I have identified were not articulated in a single submission or document but evolved as various options were being worked out and discussed between HMT and DWP. It may assist if I set out the factors that, in my view, informed the UC uplift policy:
- a. Response to the impact of the pandemic on the labour market: on 16 March, the Prime Minister had asked people to stop non-essential contact with others and all unnecessary travel and start working from home where possible. There was a pressing need to identify measures that could meet the immediate financial loss of employment and income for people who lost their jobs as a result of the pandemic. There was a level of natural uncertainty as we sought to identify appropriate measures to help people who were going to be out of work. This had to be done with haste so that we were in position to respond effectively and quickly. As I have set out above, over a million additional people applied for UC benefit in the month leading up to 9 April 2020.
  - b. Operational limitations: one of the key factors in the policy development was the capability of DWP systems and what would be feasible to deliver. The email exchange between officials around the 18 March [KT9/10-INQ000653740] shows that we looked at whether it was possible to apply the £20 uplift to legacy benefits as well as to UC, or solely for those whose employment had been directly affected by COVID-19. However, the operational team (who reported to Neil Couling) concluded that this was not feasible, as it would require a new IT build, and it would not be possible to create a new system within this tight timeframe. The UC system was the most agile of DWP's systems and allowed us to create a response without jeopardising safe payments to people, but other systems were running on legacy technology platforms. We had considered whether it would be possible to align the rates to those of SSP for both Universal Credit and Contributory Employment Support Allowance and concluded that it would be possible to increase UC rates, but not the ESA rate for the reasons set out here.
  - c. Fiscal feasibility: Whilst it is true that new claimants could have been provided the existing level of UC benefit, in March 2020, HMT and DWP considered the level of UC and compared it with the amount that would be paid under another type of support which was available, the Statutory Sick Pay regime. Statutory Sick Pay would have been the most natural scheme to be engaged if a person was unable to work due to ill health. Statutory Sick Pay was set at £94.25 per week; and

Universal Credit was £317.82 per calendar month, or £73.34 per week for people who were over 25 [KT9/10-INQ000653740]. There was a clear imbalance and the £20 uplift provided a parity between the Statutory Sick Pay and UC benefit.

- d. Practical feasibility: If a person is on UC benefit, they are required to notify DWP if there is any change in their circumstances as this affects their eligibility and level of payment. If we had introduced a different rate for people claiming UC and affected by COVID-19, this would have meant that people would have needed to notify DWP in order to receive any additional amount (and submit a 'change of circumstances'). This would have been unduly cumbersome for individuals and would have put even more strain on DWP resources at a point in time when we were having to deal with a very significant increase in new claims. The same considerations were engaged in applying the £20 UC uplift to all claimants, new and existing.

34. The policy objectives were described in the witness statement of Kerstin Parker which was submitted in June 2021, on behalf of DWP, as part of the judicial review proceedings. I consider this statement to provide a fair and accurate reflection of the Department's policy objectives as they stood in March 2020 [KT9/11 INQ000655307]

#### £20 Uplift to Universal Credit

35. As events were moving at pace during the early stages of the pandemic, a decision on the level of the Universal Credit uplift had to be made rapidly. It was not possible to undertake detailed research or modelling. A £20 per week uplift to the Universal Credit standard allowance was selected as it represented a balanced approach between fiscal cost, operational feasibility, and the need to deliver meaningful support. Ultimately, this decision was agreed between DWP Ministers and HMT Ministers, who needed to take a financial judgment about how much support the Government should give in this initial response to the pandemic. I consider that the uplift of £20 was therefore an appropriate rate.
36. A decision was taken to apply the £20 uplift to everyone receiving Universal Credit, new and existing claimants. This included people receiving UC who were disabled or had health conditions. In February 2020, there were approximately 2.9 million people already receiving UC, of whom around 742,000 were in the No Work Requirements

group due to a disability or health condition that limited their ability to work. All these individuals received the additional £20 per week.

37. It is important to understand that UC benefit is a means tested benefit. It seeks to encourage people to seek gainful employment. The effect of the pandemic was that existing claimants had their ability to seek job opportunities significantly curtailed, because the labour market was severely restricted. Therefore, even existing claimants could have faced a sudden and unexpected drop in their income and would, in effect, be in a similar situation to those who were new claimants. The £20 uplift was paid to everyone on UC to provide some financial support immediately and across the board. I have been asked by the Inquiry whether this was 'overinclusive and unnecessary'. For the reasons I have set out, I do not accept that it was 'overinclusive and unnecessary'; on the contrary, it believe it was necessary due to the grave circumstances created by the pandemic.

The UC uplift was primarily intended to provide financial support to everyone (for the reasons set out above) rather than meeting the increased costs of individuals. It would not have been possible for the Department to accurately calculate the increased costs for every individual. To ensure that support reached people as quickly as possible, we kept the design and delivery of the uplift simple. Increased costs would have varied quite drastically between individuals and groups of people.

38. As such, we applied a flat-rate £20 uplift to Universal Credit, without introducing additional variations for specific groups, including families with children. This was also consistent with the policy objective of delivering additional financial support to people who were suffering disruption due to short-term loss of employment. While we recognise that families with children often face particular financial pressures, and that people did experience hardship and additional costs during the pandemic, that was not the focus of the uplift. As increased costs were not part of the policy design, they were not considered for legacy benefits. The primary aim of the uplift was to provide swift support to those who had seen their income fall due to job loss or reduced earnings, rather than to address broader issues of poverty, which would have required a more targeted approach. That said, the Government did provide additional support to families and households in other ways, including changes to the Local Housing Allowance, as noted above. Further targeted support was introduced later in the pandemic, such as the COVID Winter Grant and other household support measures [KT9/06-INQ000592915], outlined in more detail below.

Alongside the UC uplift, other schemes such as Coronavirus Job Retention Scheme ('CJRS') and the Self-Employment Income Support Scheme ('SEISS') were also put in place.

39. The rationale for uplifting Universal Credit and Working Tax Credits as opposed to other benefits was that the people most significantly experiencing financial disruption caused by the pandemic were those who were newly unemployed or experiencing reduced incomes and therefore new to the benefits system. In the early months of the pandemic, new benefit claimants were mostly claiming Universal Credit (which is now the only option for new working age claimants seeking means-tested social security assistance).
40. I considered the uplift to be an appropriate and proportionate response. Given the urgency and scale of the situation, and the limitations of the Department's computer systems, I do not believe that DWP could have implemented a more targeted approach within the required timeframe. As the 25 March 2020 submission [KT9/06-INQ000592915] makes clear, the Department had spoken to HMT about whether to apply a flat rate or a tiered rate which was proportionate to different awards and decided to apply a flat rate. Concerns about the speed in which the policy was to be implemented did influence the Department's decision to adopt an uplift at a flat rate.

#### The Benefit Cap

41. By way of introduction, the benefit cap is a limit on the total amount of benefit a person or household can get. Whilst it is linked to UC, it did not have a direct impact on the uplift decision. The benefit cap was introduced under the Welfare Act 2012 (primary legislation) and therefore any changes to it would also require primary legislation. Consequently, the Department could not amend the benefit cap to take account of the £20 Universal Credit uplift as the urgency of the COVID-19 pandemic meant there was insufficient time to make the necessary changes by primary legislation. This, I believe, is different to Working Tax Credit which is governed by secondary legislation. It was, therefore, just not feasible to amend the benefit cap within the timeframe to introduce the UC uplift. Secondly, the uplift was intended initially to be a temporary measure for twelve months, and. The benefit cap is ordinarily reviewed once per Parliamentary session. If time had permitted and we had several weeks of preparation before the decision on the UC uplift was made, and more time before the increase was introduced, it is feasible that we would have suggested a temporary change to the benefit cap

alongside the UC uplift.

42. In September 2020, my team submitted advice to Ministers on the statutory review of the benefit cap. This advice recommended that Ministers consider reviewing benefit cap levels after decisions had been taken on uprating and the £20 UC uplift [KT9/12-**INQ000654459**]. However, the decision on the uplift was not taken until early in 2021, after a trilateral meeting between the Prime Minister, Chancellor, and Secretary of State, and I am not aware that the benefit cap was reviewed at this time.
43. I believe that had the UC uplift been intended to be in place for a longer period of time rather than the initial twelve months and subsequent extension, it may have been possible to consider a review of the benefit cap, as the position would have been more settled and allowed for preparation. The difficulty was that the uplift was only meant to be a temporary measure, which made it more difficult to plan a review. I understand that a review did take place in 2023.

#### Legacy Benefits

44. While I am not aware of any advice that was provided to DWP Ministers on whether it would have been possible to provide an equivalent uplift outside of existing legacy IT systems in March 2020, I believe that DWP would not have thought it possible to do so. This would have required additional IT build and manual interventions at the time when the Department was focused on delivering payments to the significant additional number of UC claimants.
45. In relation to the impracticability of applying an uplift in legacy benefits in March 2020, DWP's advice to the Secretary of State for Work and Pensions, dated 25 March 2020, was that it was not operationally deliverable as the rates for April 2020 had already been input for all of the legacy benefit systems and could not be changed until the following year due to the ageing nature of the legacy IT systems. It was considered that any changes made as part of an out-of-cycle exercise would carry major delivery risks and could have posed a danger to the whole system [KT9/06-**INQ000592915**]. It was also not considered possible to provide an equivalent to the Universal Credit uplift to individuals on legacy benefits outside the existing legacy IT systems.
46. When a decision was made to extend the Universal Credit uplift until October 2021, it was again considered that an uplift to legacy benefits would not have been deliverable

via the existing legacy payment systems. Given the time required to input the rates for the following year, the opportunity for any such decision to be made was in November 2020, at which time it was still unknown whether the uplift would be continued, how long the pandemic restrictions would be in place, and what the consequences of the vaccination programme would be. By the time the decision was taken to extend the Universal Credit uplift, it would not have been operationally possible to adjust the rate of legacy benefits for 2021 to 2022 for the same reasons as outlined above [KT9/13-INQ000592924].

47. The Department did look at whether it was possible to provide a one-off payment in January 2021, as part of the actions following the trilateral meeting between the Prime Minister, Chancellor and Secretary of State [KT9/14-INQ000653780]. This advice looked at the delivery implications for UC, tax credits and legacy benefits. It concluded that it would not be possible to deliver a one-off payment for April 2021.
48. The submissions provided on 25 March 2020 included an Equality Analysis which expressly considered the impact of the Universal Credit uplift on persons with a disability, including that *“Disabled people with existing legacy benefit claims are significantly more likely to qualify for a SDP, and thus would be barred from claiming UC for the duration of these regulations. Since the standard allowance is not being increased for IS/JSA/ESA, disabled people are therefore more likely not to benefit from the increase.”* [KT9/07-INQ000654463]. While the Department considered that the policy may have had a different impact on disabled people, it concluded that no benefit recipient with a protected characteristic would be adversely affected by the proposed changes, and that any differential impact was justified due to the aims and importance of the measures.

A further Equality Analysis was included in the submissions dated 11 March 2021 seeking approval to extend the uplift. That analysis again considered the impact of the policy on persons with a disability, including that *“a higher proportion of UC claimants benefitting from the standard allowance increase have a disability compared with the GB population so the policy benefits a high % of disabled people. That is because a relatively high proportion of disabled claimants are on a means-tested benefit as compared to the general population because many have limited capability for work- or work-related activity.”* [KT9/15-INQ000474825] This **Equality Analysis Assessment** considered that any differential impact was justified. While disabled Universal Credit

claimants may benefit disproportionately, the policy required the increase to apply to all or none to achieve its aim.

49. I do not remember any conversations about incentivising legacy claimants to transfer to Universal Credit as a reason not to provide an equivalent uplift to legacy benefits and, in any event, an uplift of £20 was applied to Working Tax Credits. This was not considered as an issue during DWP's immediate response to the pandemic. On the contrary, the Department's 'move to Universal Credit' pilot was paused to focus on paying benefits to the increased number of additional customers.
50. Given the limitations of DWP's legacy IT systems and the Government's policy intent, I consider that it was the right decision at the time not to apply an uplift to the legacy benefits.
51. The Department's initial focus at the start of the pandemic was on protecting people who may have been clinically vulnerable and needed to shield at home, which included many disabled people. As such, we suspended face to face assessments on 17 March 2020, so that disabled people would not have to come into the Department's assessment centres and have a heightened risk of contracting the coronavirus. The Department extended Personal Independence Payment ('PIP') awards for people who were not able to be reassessed and moved quickly to introduce telephone assessments from May 2020 to replace face to face assessments. The Department was also focused on how disabled people could remain with their current employer through the furlough scheme rather than leaving their employment. While I was not directly responsible for this work, the inquiry will want to consider it alongside the Universal Credit uplift as part of the Department's support for disabled people and people with health conditions.
52. At the start of the pandemic, the longer-term health consequences of contracting Covid were unclear. We did not know about the existence or prevalence of Long Covid in March 2020 and, as such, the Department's design of the Universal Credit uplift policy could not take Long Covid into account. Individuals who developed Long Covid were able to claim disability-related benefits, subject to meeting the eligibility criteria, but there could be no specific consideration of Long Covid's impact prior to its recognition.

#### Economic Modelling and Statistical Analysis

53. As events moved so quickly in March 2020, it was not possible for DWP to carry out detailed economic modelling when designing the policy in the early stages of the pandemic. We did have sufficient data available on Universal Credit volumes through the Department's administrative systems to support decision-making. I consider that the analysis was proportionate to support the speed of decision-making at that time. The Department's general approach to using economic modelling and statistical analysis is set out in the corporate witness statement.

#### Implementation and Delivery

54. As already noted, all recipients of Universal Credit and Working Tax Credit automatically received the increase without having to apply. The payments were issued through the existing benefit systems and, as such, there was no direct impact on frontline processes.
55. I worked with officials in other departments, in particular officials in HMT, in the manner set out in section 3 above. I engaged in regular communication with those officials regarding matters of joint interest, particularly in the context of labour market policy and delivery, which included the Universal Credit uplift. I consider that the communication with other officials, which often took place daily, was effective. Collaboration between officials in DWP and HMT is common practice, although HMT will generally leave DWP to progress the delivery and implementation of labour market policies.
56. To my knowledge, there would normally have been routine engagement with trade unions, businesses and disability groups, but because the uplift was part of a financial package of support announced by the Chancellor, the Department would have been required to keep the uplift confidential from the external stakeholders with whom we usually engage until the point at which the policy was announced. In that context, I cannot remember any external consultation with stakeholders prior to the policy's announcement, and I am unaware of any changes made to the policy's design because of any such engagement. In addition, when the Department was designing the policy, there was a premium on the speed of delivery given the circumstances of the pandemic, which would have limited the opportunities for external consultation.
57. I had no responsibility for public communications surrounding the uplift. As such, I am not aware of what steps were taken to make the public aware of the existence of the

uplift and I cannot properly speak to either the sufficiency of those steps or whether there was any adverse impact caused by the speed of the uplift's implementation.

58. I believe that the risk of fraud and error was considered by the Department in relation to the payment of Universal Credit, rather than specifically in relation to the £20 uplift. This is set out in the Corporate Statement. The UC easements were intended to support the safe payment of Universal Credit, rather than the delivery of the UC uplift. Given the unprecedented circumstances of the pandemic, I am aware that the Department prioritised the efficient payment of Universal Credit to claimants to ensure that people who were out of work, including many claiming benefits for the first time, were paid, with a view to dealing with fraud as part of the Department's recovery from the pandemic.
59. The primary question during the pandemic was whether the uplift should be extended and what form any such extension should take. I am not aware of what, if any, conversations were happening about any gaps in the provision of support or whether additional lines of support should be added. However, alongside the UC uplift, other colleagues in DWP worked on several additional measures to support people. These included changes to Local Housing Allowance to increase it to the 30th percentile of local market rents from April 2020; the COVID Winter Grant Scheme from 1 December 2020 to 16 April 2021 and COVID Local Support Grant from 21 June to 30 September 2021 introduced by the Government as cost-of-living payments during the pandemic to support vulnerable households; and the Household Support Fund ('HSF') (originally funded to run from 6 October 2021 to 31 March 2022 but subsequently extended and currently due to run until March 2026) funded by DWP and delivered by Local Authorities to offer crisis support to vulnerable households in most need with the cost of essentials.

#### Monitoring and Evaluation

60. I do not remember any specific monitoring of the economic impact of the uplift. This may have been because it was impossible to isolate the impact of the uplift from the wider issues affecting the economy and the labour market during the pandemic. Similarly, no specific analysis was undertaken to monitor and evaluate the impact and effectiveness of the uplift on the devolved nations as the uplift was applied consistently across the UK. However, there was certainly monitoring and evaluation of the impact on individuals and families, and on poverty [KT9/16-INQ000592922]. In advance of the trilateral meeting between the DWP Secretary of State, Prime Minister and Chancellor scheduled

on 15 January 2021, modelling was carried out as part of a paper commissioned by the Prime Minister to be developed by HMT, DWP and the No. 10 Policy Unit. Modelling was carried out for the range of policy options considered, namely for making the uplift permanent, an extension of the uplift to 2021-22, a 3-month extension of the uplift, a 6-month extension of the uplift, and the phased withdrawal of the uplift over 12 months. The modelling for each option included the costings and the impact on published poverty measures [KT9/17-INQ000592918], [KT9/18-INQ000654461]

61. The Department undertook further analysis and modelling of the specific impact of ending the uplift on poverty rates. This was because we recognised the positive impact that introducing the uplift had had on reducing poverty. In sum, that work included analyses of the impact on the number of claimants who would move into absolute poverty; the impact on rates of child poverty; and the differential impact on poverty rates based on family type, employment status, housing type, age, region, and disability. I do not believe that DWP carried out an analysis of the impact of ending the uplift on the group claiming social security benefits for the first time. The Department produced an analysis paper on the consequences of ending the uplift and the various options for the future of the uplift. The analysis outlined the costings for each of the policy proposals in full for the years 2021 to 2026, in addition to the absolute and percentage reductions in rates of child poverty and poverty among all individuals [KT9/18-INQ000654461] [KT9/17-INQ000592918] and [KT9/19-INQ000592925].

#### Reflections on the Universal Credit uplift

62. I consider that the uplift successfully met its objectives by providing additional support to individuals experiencing short-term employment loss and income reduction at the onset of the pandemic. Considering the system in place at the time, and the pace of decision making required, I believe that our response was both timely and appropriate. The Department's corporate witness statement gives more detail of the impact of all of the measures introduced by DWP at that time. I recommend that the Government consider implementing a similar measure in response to future pandemics, tailored to the specific nature of the emergency.
63. At the time that we were designing the uplift, we did not know how long the pandemic would last nor that there would be successive waves of lockdown restrictions. However, the uplift was intended to be a temporary measure and was therefore phased out in line with the other temporary measures that had been introduced. That was in line with the

Government's decision to extend the uplift and focus efforts on getting people into work as the economy started to reopen.

64. The uplift was extended in March 2021, by which time I had already moved into a different role and was no longer directly involved in decisions relating to its continuation or eventual withdrawal. My role was split when I moved posts, and Angus Gray took over my responsibility on Universal Credit policy and Ian Caplan took on my responsibility on Jobcentre policy. While I was not part of the discussions responsible for its removal, I fully recognise that ending the uplift had a significant and lasting impact on many individuals and families who had come to rely on it during a particularly challenging time. I understand the concerns that were raised and the difficult circumstances many people faced as a result.
65. The need to design, implement and deliver the policy at speed likely influenced the Department's approach to managing financial risk. This occurred with the fast-moving circumstances of the early pandemic, alongside the imperative to meet the Government's policy objectives of supporting the economy and assisting those who had lost work. The Corporate Witness Statement clearly sets out the Department's position on the risks of fraud and error. In my view, it was appropriate for the Department to prioritise the timely payment of benefits during this period, given the significant increase in benefit claims. At the same time, it was important to alert Ministers that this approach could raise the risk of fraud and error. Furthermore, the Department was right to conduct a subsequent review of Universal Credit claims post-pandemic to identify any instances of fraud and error.
66. I do not think that DWP could have done anything differently in the design, implementation, or delivery of the uplift, given the circumstances we faced at the time. As set out above, the options available were necessarily limited both by the urgency in delivering the uplift and the Department's legacy IT systems. The crucial factor that would have enabled more targeted support and/or an uplift in legacy benefits, namely a more robust computer system, was simply not in place. Similar schemes in the future could be improved by a more modern computer system being adopted so that the Department can design policy without the limitations faced during the pandemic. I would support the Department's introduction of more modern computer systems for benefits administration outside of Universal Credit. However, alongside the UC uplift, the Department did carry out a number of interventions designed specifically to support disabled people and individuals and vulnerable households, as I have set out above.

67. The Inquiry has asked whether I consider that the uplift was value for money. I am not aware that we considered this, but I believe that had we done so, we would have concluded that it would have been extremely challenging to measure, given the circumstances of the pandemic and because there is no counterfactual to assess the economic and societal benefits against. Similarly, I do not believe that the Department measured value for money in relation to the decision to extend the uplift, although I had moved roles in DWP at this time.

## SECTION 5: THE KICKSTART SCHEME

68. It may assist if, at the outset, I set out the period of my involvement with the Kickstart Scheme. I was not involved in the inception stages of the scheme. As I have mentioned in paragraph 3, above, I was asked to become lead Director for the scheme after the publication of the Plan for Jobs on 8 July 2020, and later formally took on the role of Senior Responsible Officer ('SRO') for the Kickstart Scheme. My involvement was from July 2020 until March 2021 when I moved to take on my role as Director General for Disability, Health and Pensions. Karen Gosden took over as SRO of Kickstart in March 2021 [KT9/20 INQ000655308]. I can only provide details from my personal knowledge in relation to the Kickstart Scheme from July 2020 until March 2021. I am, therefore, unable to assist with any decisions or actions taken after March 2021, including decisions to extend or close the scheme.

69. The Rule 9 Request has raised a number of questions in relation to the Kickstart Scheme, some of which are either duplicated or overlap. I have had the benefit of reading the DWP Corporate Witness Statement, which addresses the Kickstart Scheme in detail, and I agree, and adopt, the contents of that statement where it relates to the scheme.

70. To assist the Inquiry, I have identified the following as the main themes or areas to be addressed by me:

- Key decisions made on the introduction of the Kickstart Scheme, the selection of the group identified for eligibility to the scheme, the requirements imposed on potential employers and the funding of the scheme through grants.
- Policy design.
- Implementation of Kickstart.

- Monitoring and evaluation.
- Public Sector Equality Duty.
- Personal reflections.

### Background to the introduction of the Kickstart Scheme

71. It may assist the Inquiry to have a brief background to the creation of the Kickstart Scheme, which helped to shape the decisions to introduce the scheme. Whilst I was not directly involved with this early stage of the Kickstart Scheme, I am able to give a brief background based on DWP documents, inclusive of the Kickstart Scheme Full Business Case [KT9/21: INQ000655309].
72. Shortly before the announcement of the first lockdown on 23 March 2020, the government introduced a number of economic interventions (such as the UC uplift discussed above) as well as interventions to keep people in touch with the labour market, for example, the Coronavirus Job Retention Scheme ('CJRS'). However, as the pandemic continued it became clear that DWP support would have to increase, particularly in the light of the winding down and closure of other initiatives such as the CJRS.
73. The then Secretary of State for Work and Pensions, Thérèse Coffey, commissioned a paper on 6 April 2020 to review the current economic position and the Department's plans for economic recovery. The paper should address the options for contracted employment as well as new interventions [KT9/22: INQ000653770]. I provided input to the paper on the areas for which I had responsibility, including how and when it would be possible to re-open Jobcentres and how Jobcentres could support people back into employment.
74. The detailed response submitted to the Secretary of State on 7 April 2020 [KT9/23: INQ000653771] identified the following as areas of concern and suggested as an immediate response:
- (a) There was clear evidence that suggested the UK was in an economic downturn. The onset and scale of the COVID-19 downturn were unexpected and it was not certain whether the economy could bounce back relatively quickly.

- (b) The visible increase in the number of UC claimants supported the finding of a downturn. This was also supported by survey data emerging (in March 2020) across the UK which suggested that around 10% of the workforce had reported they were unemployed as a result of COVID-19. At the same time over a quarter of employers recorded that they had reduced their workforce.
- (c) There was an urgent and pressing need to deliver a 'concrete programme of activity' with the Minister for Employment. The activities must have specific objectives that address these specific circumstances. There was a clear recognition that the Department needed to know, for instance, whether *"particular groups and regions are at greater risk of being "left behind" by the economic downturn and recovery."*
- (d) There was some early evidence that the initial economic impact was particularly hitting younger workers, those on lower incomes, and people with "atypical" working arrangements such as being self-employed, not being paid a salary or having variable hours.
- (e) It would not be possible at this stage to design anything that would address widespread unemployment. Instead, there should be a focus on "harder to help" groups.
- (f) In deciding on the groups to be targeted, there was also a need to consider both the impact and opportunity cost of interventions: *"for example, focusing on younger workers, even if they were worse affected, might have less long-term impact than supporting older workers who can find it harder to get back to work once unemployed"*.
- (g) The Department had agreed with the Minister for Employment *"priorities for an interim employment offer which includes encouraging employers to make use of Find a Job and aligning messaging across government including on DfE's proposed online training offer"*.
- (h) The Department was also working with strategic communications colleagues to prepare a national communications campaign to increase effective engagement with the Find a Job service online and to provide job search advice with a focus on priority sectors.

- (i) The response should aim to make the most of existing funding streams and programmes to support claimants into work.
- (j) There was clear evidence which demonstrated that Work Coaches are effective in supporting people back into employment. The Department could also consider other options such as *"intensive work search for those nearer to the labour market and targeted sectoral interventions"*.
- (k) Existing programmes that had been used in previous economic downturns were considered, including the Future Jobs Fund, which was a grant funded scheme for jobs for young people run for DWP by local government.
- (l) It was recognised that the design, procurement and implementation of any programme would have a lead-in time of around 11 to 15 months, depending on policy intent, complexity, route to market and risk appetite. In any event the situation demanded the options be considered and developed.
- (m) DWP would work across all workstreams with No.10, Treasury, Cabinet Office and other departments as part of the cross-government effort.

75. Work continued between DWP and HMT officials to develop the 'Plan for Jobs'. I was part of a joint team working across DWP and HMT to develop this plan and led on proposals on Jobcentre support and the 'Youth Offer' for young people. On 8 July 2020, the Chancellor announced the 'Plan for Jobs' [KT9/24: INQ000088027] which had a number of strands, one of which was the Kickstart Scheme. The scheme was to create jobs for young people at risk of long-term unemployment. Following the announcement of the Kickstart Scheme, I was asked to take on lead director responsibility for it and later became the Senior Responsible Officer for the scheme.

76. The Inquiry has asked whether I am aware if the Secretary of State had initial concerns about the benefits of job creation schemes. I believe that the Secretary of State, having read the evaluation analysis of the Future Jobs Fund scheme (which had been introduced in 2009 by the previous Government in response to the recession), had expressed reservations. I believe her concerns centred on the focus of jobs created by local authorities under the scheme, such as tending gardens and painting fences. The jobs provided through the Future Jobs Fund scheme were primarily in the public and

voluntary sector. However, when the framework and structure of the Kickstart Scheme was finally decided, and agreed upon, it included the private sector. The Secretary of State was keen that the Kickstart scheme should include private sector roles and be a success.

77. The Chancellor was particularly interested in the Kickstart scheme and initial decisions on the design of the scheme were agreed between the Chancellor and the Secretary of State for Work and Pensions. Areas in which HMT had a specific role included:

- (a) making the decision to proceed with a Job Creation Programme based on the Future Jobs Fund.
- (b) developing and approving the 'Kickstart' brand name.
- (c) agreeing on the unit cost for the programme.
- (d) assisting in resolving VAT issues and agreeing to cover VAT costs related to the gateway administration component.
- (e) approving compensation payments in a complex case involving errors made by DWP.

78. Both the Secretary of State and DWP officials expressed a clear intention and expectation that we would work closely with HMT to support the Chancellor of the Exchequer. There was a strong emphasis on collaborating with HMT to ensure that DWP delivered the Chancellor's strategic objectives in relation to the role of the labour market in supporting people and reducing the negative impact of the pandemic on the economy. This was fully understood by the Department. We also knew that all final decisions relating to financial matters were the responsibility of the Chancellor of the Exchequer.

79. Before I turn to the policy design of the scheme, the Inquiry has asked me to set out my involvement in the following decisions:

- (a) decision to introduce the Kickstart Scheme.
- (b) decision on group eligibility (16-24 years old who were on Universal Credit).
- (c) decision not to have a cap on the number of Kickstart places available.
- (d) decision on the minimum number of hours to be provided by employers (25 hours a week).
- (e) decision on payment of minimum wage.

- (f) decision on the length of time for employers to receive funding (6 months).
- (g) decision on imposition of minimum threshold of 30 jobs on employers.
- (h) decision on removal of minimum threshold of 30 jobs.
- (i) decision on payment to employers of 6 equal monthly payments and a flat rate of £1500 for set up costs.
- (j) decision on requirement that Kickstart jobs must be additional.
- (k) decision to extend Kickstart until March 2022.
- (l) decision to close Kickstart in March 2022.

80. I will aim to assist the Inquiry as far as possible with my understanding in respect of each one of these decisions. I must emphasise that the decisions taken during the initial design phase were made under severe time constraints given the economic situation and the need to address the adverse impact on the wider society. The decisions were, therefore, made speedily but were as robust as possible in the circumstances permitted, including the need to launch the scheme by September 2020. Time was of the essence given the economic and public health circumstances in the country. Between the publication of the Plan for Jobs on 8 July 2020 and the launch of the Kickstart Scheme on 2 September 2020, my team provided a series of pieces of written advice to support Ministers to take decisions on the design for the scheme.

#### Decision to introduce Kickstart Scheme

81. The decision to introduce Kickstart Scheme was taken as part of the publication of the Plan for Jobs on 8 July 2020, as set out above. I was not directly involved when the feasibility of the scheme was being discussed between DWP and HMT.

#### Decision on group eligibility

82. As set out above, the Secretary of State was provided with an analysis of the economic situation on 7 April 2020. The analysis showed that there was a real concern that those on lower incomes, and people with “atypical” working arrangements such as being self-employed, not being paid a salary or having variable hours had been impacted more adversely by the economic downturn. At the same time there was a recognition that the Department would also need to consider both the impact and opportunity cost of any interventions it developed.

83. On 24 July 2020 a submission [KT9/25-INQ000592929] was sent to the Secretary of State confirming that eligibility to the scheme would be confined to 16 - 24-year-old individuals on benefits (UC and JSA) as they were at a higher risk of long-term unemployment and would represent a 'strong value for money'. The criteria had been agreed between the Chancellor and Secretary of State. The submission states that as the scheme matures, it could be extended to other groups, in particular, those who are 25 or over and claiming benefit (prison leavers and those leaving armed forces) as well as young people not on benefit. Kickstart eligibility was ultimately confined to individuals claiming Universal Credit because the scheme was designed to support young people who were in regular contact with work coaches and were managed through the Universal Credit digital platform. While young people receiving Jobseeker's Allowance could have visited Jobcentres to request participation in the Kickstart scheme, they were not the primary focus or target group. This approach allowed for more efficient administration.
84. The second reason for restricting eligibility to this group was because it was thought that the potential demand for the scheme would be higher than the number of placements available as well as available budget.
85. Given the decision to assist young people on benefit initially, it is recognised that the impact would be different across different groups. However, that decision was made for the reasons set out above. Nevertheless, even at the outset there was consideration to extend the scheme to other groups as it matured. The eligibility criteria were developed to ensure that employers would support the scheme, and in light of the likely demand for the scheme and budgetary considerations. As discussed below, shortly before the scheme was to be launched, an 'Equality Analysis for the Kickstart Scheme' was completed on 12 August 2020 [KT9/26-INQ000592938] to assist Ministers with their Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010.

On 19 February 2021 [KT9/27-INQ000592945] my team advised the Secretary of State and the Minister for Employment on expanding the eligibility of the Kickstart Scheme to claimants on Employment and Support Allowance ('ESA'), Jobseekers Allowance ('JSA') and Personal Independence Payment. I do not recall that the goal of encouraging young people to move to Universal Credit was a significant factor in the design or delivery of Kickstart. The scheme was primarily focused on supporting 16–24-year-olds at risk of long-term unemployment. While policy advice to Ministers did note the potential for Kickstart to act as an incentive for legacy claimants to move to Universal Credit, this was

not a central objective. Although expanding access might have helped address concerns about low uptake, the decision to focus on Universal Credit claimants reflected operational considerations rather than a deliberate attempt to incentivise migration from legacy benefits. The Minister for Disabled People had also sought advice on additional steps that could be taken to ensure that the Plan for Jobs, including Kickstart, included those with disabilities and health conditions. It was recommended that the extension to groups of claimants with disabilities and health conditions should be considered at a later stage after 21 December 2021 (the date when the last job was set to start).

86. In my view this structured approach was correct as it allowed the Department to work systematically through the groups most at risk and most likely to benefit from a job creation scheme first and then extend the scheme to other groups. It must be remembered that COVID-19 had created an almost unique set of economic circumstances that most, if not all countries, were trying to address. If the scheme had not taken such a targeted approach, I think there was a real risk of losing focus, not meeting the objectives and trying to respond with limited resources. The Inquiry must also have in mind that DWP had faced a very significant increase of Universal Credit claims in the first stages of the pandemic and needed to move any available staff around the Department to respond to this, particularly as some of our staff were also ill with COVID-19.
87. Kickstart was designed to support young people who could move directly into work with some employability support. If the scheme had aimed to support those with more complex needs, such as some disabled young people, it may have needed to be redesigned to include more up-front support. The submission stated that most young Personal Independence Payment ('PIP') claimants likely to benefit from Kickstart would also be on Universal Credit or a legacy benefit, and so already eligible. However, it did not specifically address the Minister for Disabled People's concern about 16-17-year-olds on Personal Independence Payment who were not eligible for Universal Credit due to household income and were therefore excluded from the scheme. Unlike ESA and JSA, the submission did not include data on how many Personal Independence Payments claimants could benefit from expanded access. I do not recall whether DWP held data on this, and I was not involved in that analysis. I am not aware whether Ministers revisited the question of extending Kickstart to young disabled people after I moved roles in spring 2021.

Decision not to have a cap on the number of Kickstart places available

88. The decision not to have a cap on the number of places was taken directly by the Chancellor and not DWP. I am, therefore, unable to assist on this issue either from a personal perspective or from the Department's perspective. However, it was my understanding that the decision was taken so as not to limit the number of places that might be needed to support young people.
89. It is my understanding (and no more than that) that a cap was not imposed in order to allow young people to join the scheme and so that if more needed employment under the scheme, it would be paid for. If this is correct, then I believe it was a reasonable approach given the level of uncertainty in the summer of 2020 on the potential impact of the pandemic on the labour market and on jobs for young people.

Decision on the minimum number of hours to be provided by employers (25 hours a week)

90. The earlier Future Jobs Fund scheme helped to provide some of the detailed workings for the Kickstart Scheme which included the imposition of a minimum of 25 hours on employers. Furthermore, it was generally thought that it would be an acceptable number of hours when the participant had to apply for future employment and could demonstrate a consistent working pattern. It also assisted in providing a reasonable adjustment to allow an individual to engage in other training, if they felt it was required or necessary.
91. This approach was discussed and set out in a submission [KT9/28-INQ000592933] to the Secretary of State on 06 August 2020. The submission sets out the need to ensure participants had a 'decent job' (defined in Annex A of the submission), for a minimum of 25 hours per week with National Minimum Wage. Moreover, the employer's statutory duties for the health, safety and welfare for young people, national insurance and pension contributions would apply.

Decision on payment of minimum wage

92. The decision to impose a minimum wage requirement was informed by the Employment Classification or status which is at the core of both employment law and the tax system. This framework determines not just the tax a person must pay but also the category or status of the individual (worker or employee). I believe it was appropriate to use the National Minimum Wage as opposed to other measures. This was one of a number of

design questions that were taken rapidly in the summer of 2020 before the scheme was introduced.

93. A submission of 24 July 2020 [KT9/29-INQ000592928] recommended to the Secretary of State that, since a Kickstart participant cannot be self-employed, the employer must offer a minimum of 25 hours per week, paid at least at the National Minimum Wage. However, the distinction as to whether the participant should be classified as a 'worker' or an 'employee' would be left to the discretion of the employer. We arrived at this decision in consultation with colleagues at the Department for Business, Energy and Industrial Strategy.

Decision on the length of time for employers to receive funding (6 months)

94. Given the speed at which the scheme details were required to be put in place, it was thought to be reasonable to adopt some of the details from the earlier Future Jobs Fund model and this included the 6-month period.

Decision on imposition and removal of minimum threshold of 30 jobs on employers

95. I thought it would assist the Inquiry if I addressed the imposition and removal of the minimum threshold together. During the initial phase, we were uncertain of the market and employer response. The Kickstart Scheme was (unlike the Future Jobs Fund) to be open to both the public and private sector and we did not know how many applications would be received and whether we had the capacity to process them efficiently to get young people into jobs quickly. At the same time there was concern that if a minimum threshold of posts was not considered, it would be difficult to manage single applications, and this would hinder the progress of the scheme.
96. On 30 July 2020, a submission was sent to the Secretary of State [KT9/30-INQ000592931] which recommended that the number of jobs that an organisation could bid for should have a minimum bid size of 30 jobs. This would allow both large organisations to bid directly for jobs and also SME employers to bid through umbrella organisations such as combined authorities, local enterprise partnerships, local authorities, Trade Associations, Charities and Chambers of Commerce. This would help to increase the diversity of jobs on offer and enable SME employers to access and participate in the scheme.

97. I considered the imposition of this minimum threshold as reasonable at the start of the scheme, but I recognise that it could have deterred small businesses from accessing the scheme. However, once the scheme had settled and the process was working well, the Secretary of State took the decision to remove the minimum threshold in January 2021 [KT9/31-**INQ000654462**]

Decision on payment to employers of 6 equal monthly payments and a flat rate of £1500 for set up costs

98. The main lead on the financial side of scheme was HMT, and all major decisions were agreed with HMT Ministers including the decision on the unit cost and the £1500 for employability support. The Chancellor agreed the appropriate amount. The payment mechanism took into account lessons learnt from the Future Jobs Fund and monthly payments were chosen to replicate monthly salary payments, with an up-front employability payment of £1500. This was a Ministerial decision as they considered the level represented value for money and it is my view that this was an appropriate level.

99. On 10 August 2020 a submission [KT9/32-**INQ000592934**] was sent to the Secretary of State in relation to the Kickstart Scheme Unit Costs. The submission sets out the estimated unit cost for a job under the Kickstart Scheme, the maximum cost per job DWP would be prepared to subsidise and whether this cost should vary depending on the individual participant, job or employer. The recommendation was to give each employer a grant payment per Kickstart Job based on a weighted average of the National Minimum Wage within the 16-24-year-old unemployed population as it was the simplest option to deliver operationally. The submission provides a detailed analysis of the unit costs and draws upon the experience of the Future Jobs Fund.

100. As set out in my submission of 21 August 2020 [KT9/33-**INQ000592943**] the Chancellor agreed to DWP's revised proposal on unit costs, including a simpler process based on actual wage costs actuals. It was agreed that employers would be paid a grant based on the National Minimum Wage applicable to the individual based on their age at the end of the placement. The effect of this would be that if the age of the young person changed in the middle of the placement, there would be no need to adjust the grant payment to employers. This was thought to help reduce the risk to the employer and to the young person concerned to avoid them being accidentally taken below National Minimum Wage. The proposal was developed with HMT colleagues and approved by

the Department's Investment Committee and HMT. In my view, at the time and now, the business case met the value for money test.

#### Decision on requirement that Kickstart jobs must be additional

101. The aim of the Kickstart Scheme was to improve the chances of sustained employment for those at risk of long-term unemployment. This was to be achieved through the creation of jobs that might not otherwise have existed. The policy intention was clear that Kickstart jobs should be additional and not displace existing jobs or positions that would have been created anyway.
102. On 24 July 2020, my team sent a submission [KT9/29-INQ000592928] to the Secretary of State setting out how employers could demonstrate that the jobs were additional and would not replace existing staff. The submission proposed that the additional job criteria should be included in the bid documentation and would include a series of straightforward questions for the employer about the role and the recent actions of the employer in respect of hiring/firing staff. It was recommended that the questions should deliberately be kept simple and straightforward so as not to deter potential employers from engaging with the scheme. It also helped to strike a balance between the need to ensure that applications from employers were assessed robustly with the need to get applications processed quickly so that young people could be placed into roles and take up opportunities as quickly as possible. It is my view that the need to strike a balance was appropriate and this was the best mechanism available at the time. My team had also recommended that a monitoring mechanism should be introduced through a compliance test, whereby a sample of employers would be assessed to satisfy the Department that they were adhering to the additional job requirement.
103. In addition, DWP ensured that young people participating in the scheme maintained a relationship with their Work Coach during their placement which would allow them to raise any concerns directly with a DWP representative. This acted as another channel of information to ensure the position was genuinely additional.

#### Decision to extend and close the scheme

104. As set out above, my role as Senior Responsible Officer for the scheme came to an end in March 2021. I was, therefore, not involved in the decisions to extend or close the Kickstart Scheme.

### **Policy design of the Kickstart Scheme**

105. I have set out the brief background to the creation of the Kickstart Scheme and its main purpose in addressing the economic situation that COVID-19 presented. The scheme had four key objectives:

- (a) improve employability and chances of sustained employment of those at risk of long-term unemployment in the 16- to 24-year-old age group.
- (b) support the creation of jobs that might not otherwise exist.
- (c) each placement should provide a quality experience.
- (d) incentivise positive behaviours from placement holders, making them more attractive to future employers, to reduce the scarring effect of unemployment.

106. In building the policy design for the scheme a key factor was the limited time that was available to DWP and other government agencies, which inevitably meant that policy decisions were made, and taken, swiftly. This meant the need to examine, and consider, existing or earlier models that could help to shape the Kickstart policy. The Department took into account the lessons learned from Future Jobs Fund and adapted its response when designing Kickstart, including the need to promote greater private sector engagement, administer the scheme centrally to improve oversight and increase efficiency, introduce 6-month placements, a minimum of 25 hours a week of employment and the requirement for a National Minimum Wage. The Future Jobs Fund had been shown to be effective, and I do believe it was appropriate to base the Kickstart Scheme on the lessons from the previous scheme. I have discussed most of these policy objectives and the reasons for the relevant decisions in the paragraphs above.

### **Engagement with OGDs and external stakeholders**

107. In developing the policy objectives, all relevant government departments, in particular HMT and DWP, worked closely and collaboratively. This was essential if the scheme was to deliver on its objectives. This pattern of joint working continued throughout the

period of the policy design and subsequent implementation and delivery. In addition to inter-departmental working, DWP consulted a range of external stakeholders from July to September 2020 which included the Prince's Trust, the Confederation of British Industry, the British Chambers of Commerce, Trade Unions Congress, regional and local representatives, including the Mayoral Combined Authorities, the London Councils, Scottish local authorities, Northern Ireland Department for Communities, and the Local Government Association.

108. It is my understanding that the external engagement also involved organisations representing young persons with a disability, including the National Autistic Society, Leonard Cheshire Disability, and the National Children's Deaf Society.
109. This engagement across the departments and with external bodies helped us to identify some important delivery issues, for example, it helped us to understand the nature and extent of support that would be needed for Small and Medium Sized Enterprises to engage with the scheme. In my view this wide consultation worked well and helped to shape the success of the scheme.

#### Kickstart and other employment schemes

110. As part of the policy design for Kickstart we also considered how the Kickstart Scheme would work alongside other employment support offered by DWP. The proposed approach was discussed in a submission dated 6 August 2020 [KT9/28-INQ000592933]. The underlying principle was to avoid having people participating in more than one scheme simultaneously, although it would be possible to participate in one scheme followed by another, if that was appropriate for the young person; for example, a person could participate in the Kickstart Scheme and then go on to join the Restart Scheme.
111. The submission clearly highlights the need to "*avoid creating perverse incentives that would reduce the volume of other forms of support for young people – like apprenticeships.*" The Department would be clear in its communications with employers to help them decide whether a post should be created as a Kickstart job or an apprenticeship. In addition, guidance was to be developed for DWP and DfE staff working with employers and young people to ensure there was no overlap. The submission contains Annex B (titled: how Kickstart links with other employment offers) and sets out the relationship between Kickstart and other employment in an easy

guide table. The proposal was to adopt a similar approach when Kickstart is considered by other jurisdictions (e.g. Scotland) and localities.

#### Decision making forum for Kickstart

112. Once the scheme was announced, I set up a Kickstart Scheme Delivery Board of Departmental officials which met on a weekly basis. In summer 2021, the Board name was changed to Kickstart Delivery Executive. During my time on the Board, I thought it was helpful for HMT to be part of the weekly meetings given the Chancellor's strong interest in the scheme and to ensure that HMT was sighted on the delivery of the scheme. I invited HMT colleagues to join these weekly Board meetings. These meetings were also attended by DWP programme, delivery and analytical colleagues to make relevant decisions about the Kickstart Scheme.
113. Although I did not attend these meetings, DWP regularly shared data on Kickstart at cross-government COVID-O and COVID-M meetings coordinated by the Cabinet Office. The Kickstart policy team also held weekly meetings with HMT which were led by a DWP Policy Deputy Director.

#### Inclusion of groups in policy design

114. I have discussed the eligibility criteria in some detail in paragraphs above. I have been asked to specifically address whether the policy design had considered those with a health condition or illness and Long Covid sufferers. It is fair to say that Long Covid was not considered as part of the Kickstart policy design as its impact or prevalence was not widely understood at the time by government departments.
115. There were a significant number of young people who participated in the Kickstart Scheme who had a health condition or illness. Overall, 30 percent of young people who started the Kickstart Scheme had a health condition or illness which was expected to last for at least 12 months. 22 percent of these starters (74 percent of those with a health condition or illness expected to last at least 12 months) were limited in their ability to carry out day-to-day activities [KT9/34-INQ000653808].
116. As I have set out above, on 19 February 2021 [KT9/27-INQ000592945] my team advised on whether to extend the scheme to other groups including young people claiming Employment Support Allowance ('ESA') but recommended to continue to

focus the scheme on young people on Universal Credit, with the option to expand eligibility for a further later phase of the Kickstart scheme.

117. DWP commissioned IFF Research to conduct an evaluation of effectiveness of the Kickstart Scheme and published its findings on 21 July 2023 as DWP research report no. 1032 'Kickstart Scheme - process evaluation', [KT9/34-INQ000653808]. The Report found that "*many young people working in Kickstart jobs had additional needs and barriers, these included physical health conditions, mental health conditions, learning difficulties, neurological challenges, caring responsibilities, transport barriers, and language barriers. The Kickstart programme enabled work coaches to recognise and support young people with additional needs and barriers.*"
118. I have been asked if I consider such a scheme was necessary. I believe it was necessary at the time to create a scheme to give young people on benefits the possibility of immediate short-term employment to help them build their skills and boost their employability. It would also increase their prospects of taking on other opportunities after completing their Kickstart job.
119. If Ministers had wanted to extend the Kickstart Scheme to groups of young people who encountered additional barriers to the labour market, I expect this would have required the development of another additional version of the Kickstart Scheme or a different type of intervention which supported people to prepare to become job-ready before placing them into jobs.
120. Alongside the Kickstart scheme, the government also introduced several other initiatives for young people as part of the Youth Offer, a form of wider support for young people to combat unemployment. I was the responsible DWP Director for this work.
121. The Youth Offer was introduced in September 2020 as part of the Plan for Jobs. It was initially targeted at 18- to 21-year-olds and later expanded to include 16- to 24-year-olds. It was aimed at young people receiving Universal Credit in the Intensive Work Search regime and included three core components:

*Component 1: Youth Employment Programme ('YEP')*

- (a) A 13-week structured programme offering intensive support from Work Coaches.

- (b) Automatically applied to eligible claimants aged 16–24 who made a new UC claim after 21 September 2020.
- (c) Focused on helping young people access work-related support and employment opportunities.

*Component 2: Youth Hubs*

- (a) Co-located with external partners and Jobcentre Plus Work Coaches.
- (b) Provided place-based support tailored to local job markets and skills gaps.
- (c) Available to claimants outside the Intensive Work Search regime for signposting purposes.

*Component 3: Youth Employability Coaches ('YECs')*

- (a) Based in jobcentres with a maximum caseload of 100 claimants.
- (b) Offered tailored, intensive support for up to 6 months to young people with complex barriers (e.g. homelessness, mental health challenges).
- (c) Helped develop skills to look for, find, and keep employment.

122. DWP also provided wider support for people with disabilities or health conditions. I was aware of this support but did not have a role in these programmes before March 2021. These included:

- (a) Restart, also introduced as part of the Plan for Jobs for long-term unemployed people. I understand that the evaluation published by DWP on 9 May 2024 [KT9/35-INQ000654465] shows that more than half (54%) of Restart participants had physical or mental health conditions lasting or expected to last 12 months or more including intermittent conditions or illnesses.
- (b) The Work and Health Programme: DWP and DHSC delivered employment interventions through the joint health and work unit for disabled people during the pandemic. Some of these interventions were relatively small scale whilst others were more significant, for example, the expansion of the number of employment advisers in the NHS mental health talking therapy services and the Individual Placement and Support model which was originally developed as secondary care for people with severe mental illness in other settings. Both have since become national services.

### Access to the Kickstart Scheme

123. In the design phase, the Department took steps to ensure that the scheme was accessible to young people receiving Universal Credit with a disability or health condition. British Sign Language versions of Kickstart case studies and videos explaining the scheme were made available. As the delivery of Kickstart relied on Work Coaches, they were enabled to support young people with additional needs through, for example, providing coaching meetings, referring a young person to a disability employment advisor and matching young people with inclusive employers. We also ensured that when jobs were advertised to young people on our Find a Job website, the Disability Confident badge was displayed.
124. In encouraging local authorities and Chambers of Commerce to become gateway organisations, the Department ensured that there were organisations with a geographical footprint across the country. As the scheme rolled out, we also created 'Kickstart District Account Manager' ('**KDAM**') roles in Jobcentre districts who could work with local employers to encourage them to take part in the scheme. We also monitored the geographical spread of the jobs available.
125. The policy design also made adequate provision to ensure that Kickstart was a national initiative and had national coverage. DWP carried out an assessment on how national coverage could be achieved and measured. A submission of 6 August 2020 [KT9/36-INQ000592932] sets out a recommended approach to achieve national coverage of the Kickstart Scheme, utilise a range of data (set out in the Appendix to the submission) to capture the supply and demand for Kickstart jobs in a location to assess the likely take-up of jobs across geographical areas, and monitor the creation of jobs against these indicators to identify areas that are under or over delivering jobs. Furthermore, DWP could make use of its local and national networks with employers and potential "umbrella" organisations along with targeted communications to promote and drive more jobs in underperforming areas and sectors.

### Accounting Officer Assessment

126. I have been asked by the Inquiry to clarify why the Kickstart scheme was pursued when in July 2020 there were concerns that the scheme would not meet the value for money test. I can confirm that a full Accounting Officer Assessment could not be

completed during the initial design stage of Kickstart primarily because there was no firm defined proposal upon which to base any such assessment.

127. An assessment was made by DWP officials against the four Accounting Officer tests (Regularity, Propriety, Value for money and Feasibility) and their assessment on how the Kickstart Scheme met these tests and our confidence on delivery. The findings were presented in a briefing note to the Accounting Officer on 30 July 2020 [KT9/37-INQ000592946]. It is my understanding that the Accounting Officer took the view that the tests were met sufficiently and, therefore, there was no need to seek a Ministerial Direction.
128. I further understand that DWP officials provided regular updates on progress to meet the four AO tests on 21 August 2020, 21 September 2020, 25 September 2020, 2 October 2020, 9 October 2020, 20 October 2020, 23 October 2020, 3 December 2020 and 12 December 2020. These updates covered a range of issues including, but not limited to, resourcing, additionality of jobs, Gateway application processes and payment processes.

#### Initial reservations in relation to the Kickstart scheme

129. The Inquiry has asked about whether there was initial scepticism and reluctance within DWP about the Kickstart scheme. I believe this may relate to concerns raised within the Department on its capacity to deliver the scheme considering the sharp rise in the volume of UC claimants and the need to ensure that people were paid accurately. Over time we added additional capacity including local Kickstart District Account Manager roles to work with employers, which helped to ease the pressure and demand on limited resources. In my view, the real challenge was the pressing need for speedy design and implementation within 6 to 8 weeks of the announcement of the Kickstart scheme. I do not believe that this scepticism had an impact on the design of the Kickstart scheme, but it may have contributed to the time it took the Department to add extra capacity to make the scheme a success.

#### **Implementation and delivery of Kickstart Scheme**

130. Kickstart was implemented across England, Scotland and Wales. The Northern Ireland Government implemented its own version of the scheme, based on Kickstart. Having

worked closely with HMT to develop the scheme, we continued to work with HMT on the implementation and delivery of the scheme.

131. I believe that the initial timeframe for designing and implementing the scheme was appropriate given the uncertainty at the outset of the pandemic. As noted in the advice provided to the Secretary of State on economic recovery on 7 April 2020 [KT9/23-**INQ000653771**] implementing an economic recovery programme was expected to require several months. However, as part of the development of the Plan for Jobs published on 8 July 2020, the Secretary of State and Chancellor agreed to get the Kickstart scheme up and running quickly, so that the first Kickstart placements could start before the furlough scheme ended. This was in order to have an offer for young people to protect them from unemployment and a negative impact on their future employment prospects. The urgent need to provide economic support in a rapidly evolving crisis justified the swift rollout of the scheme, enabling a quicker response to immediate economic challenges.

#### Minimum Viable Product Approach

132. When the scheme was designed, we adopted a minimum viable product ('MVP') approach, prioritising the design and implementation of essential components required for the scheme's initial launch, with plans to develop additional features subsequently. During this time, we were expecting the lockdown and the furlough scheme both to end in November 2020. We did not know that the furlough scheme would be extended and that there would be successive waves of lockdown affecting the labour market. Had we known in advance that the furlough scheme was going to be extended in November 2020 and that there would be further lockdowns in October 2020 and January 2021 which would disrupt the labour market, we might have recommended to Ministers to take longer in designing the scheme and to introduce it later.
133. However, the imminent launch of the scheme on 2 September 2020 meant that the Department had little choice but to adopt a 'MVP' approach to keep the design as simple as possible for the launch with a view to adding further elements over time. In my view, this was the most effective option. The only alternative would have been to take more time, which was not available.
134. The Inquiry has asked about the challenges DWP faced as a result of the 'MVP' approach. At a practical and operational level, it meant we had to make changes to the

scheme while it was being delivered, for example, to the minimum threshold of 30 jobs and the intermediary 'gateway' process. It also meant that we designed a simpler version of the scheme than we might have done if we had had more time. With additional time, we may have developed changes, for example applying a higher threshold for 'gateway' umbrella organisations compared to individual employers. We also could have developed a more sophisticated data tracking system to support the scheme's implementation and oversight. However, despite the lower than anticipated uptake of the scheme, delaying implementation is unlikely to have significantly improved its overall effectiveness in achieving its objectives.

#### The implementation process

135. Kickstart opened to applications from employers and organisations wishing to participate as intermediary gateways on 2 September 2020. The first funded Kickstart jobs began in November 2020.
136. DWP designed the Kickstart Scheme and managed applications from employers centrally. We used our Jobcentre network to make eligible participants aware of Kickstart, which I believe was appropriate. We used our Work Coaches to talk to young people about opportunities, encourage them to apply and ensure that vacancies could be filled quickly. The IFF Research report confirms the effectiveness of the use of Work Coaches and found that '*Young people mainly found appropriate Kickstart vacancies through suggestions from their work coach, although some also searched online themselves*', this was around 76% of the starters.
137. Work coaches were initially used to support young people to gain access to Kickstart placements because we believed they were best placed to understand both the young person's needs and the local opportunities available. This personalised approach was intended to ensure that placements were appropriate and well-matched. However, the sole reliance on Work Coaches meant that young people could only access information about jobs that the Work Coaches offered and referred to the participant. This meant the rate of conversion of a referral to a job was low. We recognised that allowing young people to search for jobs themselves would enhance accessibility and empower them to engage more actively with the scheme. To achieve this, it was agreed that Kickstart jobs could be advertised on DWP's "Find a Job" platform so that young people could browse opportunities online and then ask their Work Coach for a referral. This new approach helped improve the rate of job starts.

138. Later, as the scheme progressed and by summer 2020, it was recognised that more needed to be done to manage the relationship with employers (and subsequently gateways). The Kickstart District Account Managers ('KDAM') roles were introduced and a KDAM network was set up, consisting of senior KDAMs working with gateways and employers and Employment Advisors for SMEs, to work with local employers and encourage them to participate in the scheme. The KDAM Network managed the expectations of gateway organisations and employers, kept them informed of the application process, when adverts for jobs would go live, and when and how many referrals were being made by Work Coaches. I believe this was an effective way to progress the scheme and I saw this as an important improvement to the scheme.
139. In addition to the Work Coaches and KDAMs, DWP provided information on Kickstart through a number of channels. These included promoting the scheme through various networks of local authorities, third sector partners (e.g. Princes Trust) and employer organisations (e.g. Federation of Small Businesses and Chambers of Commerce). Campaigns were also run through national and local press, Facebook, Twitter, Snapchat and YouTube.
140. I have been asked if DWP had done enough to draw the attention of the target group to the Kickstart scheme. In my view this was achieved through each of the channels of media communication as well as direct engagement with young people through the Jobcentres and Work Coaches. The KDAMs and their Network helped to enhance the profile of Kickstart at a local level and encourage local employers to provide job opportunities for young people. At a national level, a New Business Team was set up to work strategically with larger national employers, trade bodies and organisations that had no pre-existing DWP relationship.
141. The final component of the implementation process was the funding arrangements. DWP decided to use grants to fund Kickstart. While I have not been able to source the relevant advice, the Department's normal approach was to carry out an assessment comparing grant funding and contract funding to decide which mechanism is most appropriate.
142. To assist employers, a payment team was set up for the Kickstart Scheme. Once confirmation was received of a job being taken up, the payment team would make the initial payment of the grant for start-up costs and employability support. Each employer

and gateway organisation then received (once the payment of wages had been confirmed through Real Time Information system for payroll reporting) six equal monthly payments (based on the expected age of the participant at the end of their Kickstart job), to cover National Minimum/Living Wage, employer's National Insurance contributions and automatic enrolment pension costs.

143. The National Audit Office published a report titled 'Employment support: The Kickstart Scheme' in 2021 ("2021 NAO Report") [KT9/38-**INQ000578207**] which notes that DWP monitored the time taken from the point it received an application to the point it advertised the roles in Jobcentres through the collection and analysis of data. According to the Report, DWP's data indicated that it took on average 62 days to complete administrative checks on each application and advertise jobs in jobcentre, though it took longer where employers would take longer to provide necessary information. Where jobs were filled, it generally took several months to fill the job once it had been advertised, although some were filled much faster.

#### Contingency plan

144. In the event the Kickstart scheme was delayed, the Department's contingency plan was called "Flying Start". The submission of 7 August 2020 [KT9/39-**INQ000592935**] proposes a contingency plan to ensure that placements were available to receive Kickstart participants from November 2020 even if there was a delay during the development of the Kickstart Scheme. However, the contingency plan did not have to be used as the first jobs had started by November 2020.
145. The Inquiry has asked whether the uptake of the Kickstart Scheme was adequate since the Government had initially allocated funding for up to 250,000 young people. Over the lifetime of the scheme the economy began to recover from the pandemic and the Government's economic forecast of unemployment changed, and the volume of 163,000 rather than 250,000 starts reflected this improved economic position.

#### **Fraud & Error risk**

146. The Fraud & Error risk was recognised at the outset of the Kickstart Scheme and is reflected in the submission of 7 August 2020 [KT9/40-**INQ000592936**] The submission addresses the likely risk areas and the proposed controls to be put in place to mitigate and manage the risk. The main areas of fraud and error risk were:

- (a) overcoming employee / participant identity fraud.
- (b) ensuring employers offer the full Kickstart experience to young people as set out in their bid (instead of cutting corners and profiting from the scheme).
- (c) preventing collusion between the employer and participants.
- (d) overcoming employer identity fraud.
- (e) making sure jobs being delivered by employers are truly additional (that they do not substitute for jobs that already exist and would have been delivered without the Kickstart scheme).

147. These risk management and mitigation measures included, for example, the identification of fraud via irregularities on the Cabinet Office Spotlight system; the withdrawal of relevant vacancies; cancelling grant agreements; confirming that the bank details of grant recipients matched the organisation name; checking employers through the Spotlight database; and checking participants' identities with DWP records and HMRC Real Time Information ('RTI') to confirm that the participant was being paid. I believe the mitigation measures in place were adequate and proportionate. However, the approach could have been strengthened by applying a more rigorous set of checks for 'gateway' umbrella organisations than those used for individual employers, since these 'gateway' organisations were often responsible for larger numbers of job opportunities and it would have been proportionate to have higher checks for this group.

148. DWP set up a Complex Cases Team on 10 May 2021. The Complex Case Resolution Team reviewed over 1500 cases, of which the Complex Case Review Board determined to reduce or terminate 656 grant agreements. The purpose of the CCRB was to review evidence and make decisions to cap applications and rescind grant funding where concerns had arisen about employers, gateways and/or their linked employers. I consider that establishing a formal structure was helpful, but note that the work had already been underway in the team before May 2021.

### **Monitoring and Evaluation**

149. DWP had considered the monitoring and evaluation methodology that would be necessary for the Kickstart scheme on 11 August 2020 [KT9/41-INQ000592937]. The

submission sets out the evaluation objectives, the overall approach to be adopted and the evidence that will help to inform key decisions.

150. The Department used real-time data to provide a weekly data dashboard. This was used in the Delivery Board and shared with Ministers and HMT. A suite of dashboard products was developed and tailored for use by different teams throughout the delivery of the Kickstart Scheme, with the management information refined and expanded over the course of the programme. An example from July 2021 included key metrics such as uploaded vacancies (vacancies on the system ready to go live), visible vacancies (those accessible to claimants), number of funded starts, total starts, early leavers (starts ended early), and number of referrals. As the programme progressed, the dashboard was enhanced to incorporate additional insights, including sector and geographical breakdowns, completed placements, and process-level management information. Initially this data was drawn from internal management information and Excel spreadsheets and gave us a good sense of how the scheme was being implemented. However, it was time-consuming to produce and did include occasional errors as the information was inputted manually. Over time the Department improved the Kickstart data platform, and the quality of the data became more reliable. Much of this information is reflected in the National Audit Office report *Employment Support: The Kickstart Scheme* [KT9/38: INQ000578207].
151. DWP Ministers decided that data on Kickstart should be released through Parliamentary Questions rather than through regular statistical releases. This meant that the Department could update Parliament when there was significant progress. We also published data through press notices. I consider that this was a reasonable decision for Ministers to take, but the alternative approach of providing regular releases would have also been a reasonable approach.
152. The Department used its Jobcentre network to ensure that work coaches encouraged young people who would benefit to apply for Kickstart roles. Young people who took part in the Kickstart Scheme also stayed in regular contact with their work coach and could raise issues with them about the quality of their placement or the employability support they received. We could also ask gateways and employers for records to show that the £1500 given for employability support had been spent as intended. This meant that the Department could intervene directly to support young people. I believe that it was appropriate to use our Jobcentre network and its operational systems to deliver and run the scheme, and to support young people who took part.

153. By the time I had left as Senior Responsible Officer for the Kickstart Scheme in March 2021, the scheme was in its relatively early stages, and any monitoring or evaluation would have been limited. However, as I have mentioned above, DWP commissioned IFF Research to conduct an evaluation of effectiveness of the Kickstart Scheme and published its findings on 21 July 2023, [KT9/34-INQ000653808], DWP also published an impact assessment of the scheme on 7 October 2024 [KT9/42 INQ000650395] I understand the Corporate Witness Statement covers this in detail at paragraphs 6.322 – 6.325.
154. The success of the Kickstart scheme should be measured against whether it achieved its key objectives, which I have set out above. With those four key objectives in mind, the IFF Research Report concluded that most young people on Kickstart went on to employment, education, or training. The Kickstart Scheme seems to have opened access to a wider range of opportunities (job roles, sectors, and employers). Most Kickstart roles were with private sector organisations, and over half were with relatively small employers. Most young people were satisfied with their Kickstart jobs, with 70% of young people who had completed the scheme reporting that they were satisfied after seven months. A majority of employers had not advertised vacancies through Jobcentre Plus or taken part in any other schemes run by Jobcentre Plus or DWP to provide employment prior to Kickstart.
155. The impact assessment report provides evidence that taking part in Kickstart reduced the time 19- to 24-year-old Universal Credit claimants spend on benefit and increased the time they spend in employment. In addition, Kickstart appeared to have had a greater impact for those who have less success in the wider labour market creating a levelling up effect. The Kickstart Scheme was effective at helping young people with lower levels of qualifications move into long term employment. It had a disproportionately larger effect on young people who had been identified as having special educational needs or were eligible for free school meals in school.
156. With regard to the economic impact of the Kickstart scheme, I summarise the headlines from the Qualitative Impact Assessment below:
- (a) taking part in Kickstart reduces the time 19- to 24-year-old UC claimants spend on benefit and increases the time they spend in employment.

- (b) it is estimated that for every 100 people who participated in Kickstart, an additional 11 of those are in unsubsidised employment at two years compared to a similar group of people who did not participate in Kickstart. This impact is consistent from eight months after the intervention start and persists up to two years. There is no evidence to suggest that this impact diminishes beyond this point.
- (c) Kickstart has a positive impact on all subgroups examined in this report. In addition, Kickstart appears to have a greater impact for those who have less success in the wider labour market, creating a levelling up effect.
- (d) for the Exchequer, Kickstart makes a return of £0.27 for every pound spent at two years, and £0.49 at five years. This is due to the high unit cost of Kickstart, and the relatively narrow scope of benefits included in this perspective.
- (e) however, when looking at all perspectives, i.e., including the social and economic benefits of extra output from employment, Kickstart makes a return of £1.18 for every pound spent at two years. At five years, assuming a continued impact, Kickstart makes a return of £3.15 for every pound spent.

157. By way of comparison to the economic impact estimated during policy design, which was based on the Future Jobs Fund, the assessed economic impact of the Kickstart scheme seemed to have a similar initial impact of delivering positive returns from an economic and social perspective and moving people into unsubsidised employment.

158. In determining whether the jobs created by Kickstart were truly additional, it is useful to consider two economic impacts. On the first, DWP built measures into the design of Kickstart to ensure the jobs created by the scheme were truly additional. The jobs created with Kickstart funding were required to be new, additional jobs. This meant that they could not replace existing or planned vacancies, or cause existing employees, apprentices, or contractors to lose work or reduce their working hours. However, despite robust policy design, there is no available method of quantifying the exact additional impact on output from Kickstart jobs. So, when performing the Cost Benefit Ratio ("CBR") calculation in the Qualitative Impact Assessment, a sensitivity-based approach was taken when looking at the impact of assuming that somewhere between

0%-100% of Kickstart jobs were additional. The CBR found that, other things being equal, an assumption that just 20%-40% of Kickstart jobs were additional would still yield a positive social and economic benefit at the two-year mark. Provided that the Kickstart business case assumed 50% of Kickstart jobs would be additional, together with the fact that the scheme did, in reality, result in a positive social/economic benefit, it is likely that the jobs created by Kickstart were indeed truly additional, especially considered against the wider low-demand economic conditions of the time.

159. On the second, a statistical method known as Propensity Score Matching ('PSM') was used to estimate that at two years, for every 100 people who participated in the scheme, Kickstart moved an additional 11 individuals into unsubsidised employment and moved an additional three people off benefit, compared to 100 comparable individuals who did not participate. Normally, an individual will be moved off benefit due to movements into employment where their earnings would be sufficient to no longer be entitled to UC. It is reasonable therefore to conclude that the jobs created by the Kickstart scheme were truly additional.
160. Regarding monitoring and evaluation across the devolved nations, the management information data collected by DWP allowed it to report Kickstart vacancies and starts by region. On 10 May 2022 during parliamentary questions, Mims Davies MP reported on the number of jobs started. Welfare is devolved in Northern Ireland, so DWP figures cover Great Britain only. The management information collected on UC claimants, as set out in DWP's impact assessment [KT9/42: INQ000650395], allowed DWP to undertake sensitivity analysis, which revealed that take up was broadly similar across England, Scotland and Wales .

### Personal Reflections

161. I believe that the Kickstart Scheme did achieve its objectives of creating jobs for young people most at risk of long-term unemployment and providing them with relevant employability skills. In total, over 163,000 Kickstart job placements were begun with a total of 150,400 young people taking up those opportunities [KT9/42: INQ000650395]. The majority of participants went into employment, education or training after their Kickstart job, The Department's Annual Report and Accounts for 2021-22 [KT9/43-INQ000114223] showcases the national breakdown of this.

162. The Inquiry has asked whether I would recommend a similar youth employment scheme in the event of a future pandemic. I recommend that the Government should consider whether such a scheme would be appropriate and take account of the lessons learned from the Kickstart Scheme as well as the previous Future Jobs Fund.

In terms of challenges, it is true to say that we did face a number of challenges in the delivery of the Kickstart Scheme. The biggest challenge was the sheer speed of the introduction of the scheme between its publication in July 2020 (in the Plan for Jobs) to its launch on 2 September 2020. A complex and national scheme requires time to design, develop and implement. This was not available given the economic situation at the time. Decisions had to be made quickly and led to the launch of an 'MVP' simple version of the scheme which then had to be developed over time. It also took DWP time to mobilise and give effect to the strategic objectives set out by HMT and DWP Ministers.

163. We needed our assessment of job opportunities to be proportionate, balanced with the need to make sure the jobs were good quality, with the right support for young people, and a diligent use of public money. We wanted to offer a range of jobs to young people as well as engage small and medium sized businesses, but this presented its own challenges. The gateways did help us to have a good geographical spread and access a more diverse range of jobs, but I do not believe that they were all the quality we would have like to see. Data was also a challenge and again it took time for us to obtain high quality data to monitor progress and delivery in a meaningful way.

164. I have been asked whether I would have done things differently, and on reflection, I believe the approach taken was appropriate given the time constraints and the evolving economic landscape. Within those parameters, the scheme was delivered at pace and with purpose. That said, with more time and stability, there may have been opportunities to further develop and refine certain aspects. For example, a longer lead-in period could have allowed for a more detailed design phase, including earlier testing and a more advanced data system at the outset. A more intricate scheme design might also have enabled additional consideration around the selection and approval of gateway organisations. The early introduction of the Kickstart District Account Manager roles could have added further value, as they proved instrumental once in place. Additionally, had the scheme continued for a longer duration, it may have created space to explore a tailored strand to offer enhanced support for employers and young people with disabilities.

**SECTION 6: INEQUALITIES AND VULNERABLE GROUPS**

165. In March 2021, I became the Acting Director General for Disability, Health and Pensions at DWP, and was formally appointed to the role in January 2022. As I assumed this role towards the end of the specified period and was not responsible for disability and pensions during the height of the pandemic, I am not best placed to comment in detail on decisions made during that time. The following reflections are based on my experience since formally assuming that role, building on the work and initiatives undertaken by the Department in this area.
166. In my new role, one of my core priorities was supporting disabled people into employment and ensuring that disabled people received the financial support that they were entitled to. I was responsible for the Department's Health and Disability Green Paper published in July 2021 on reforming the social security system to better support disabled people and those with health conditions. I was also the responsible Director-General for the employment support for disabled people funded through DWP and through the joint unit that was shared between DWP and DHSC, and for the Department's Health Transformation Programme, which aimed to improve how health and disability benefits were delivered to people.

Public Sector Equality Duty

167. DWP and its Ministers are obliged by Section 149 of the Equality Act 2010 to have due regard to the Public Sector Equality Duty ('PSED') when discharging their functions. PSED is the cornerstone in the development and implementation of DWP policies, programmes, projects, services or changes that affects customers and DWP staff. The need to consider equality and vulnerability is, therefore, embedded in policy design and delivery with PSED assessments forming a mandatory part of the policy development process. It is a duty that I saw colleagues and Ministers in DWP taking very seriously.
168. During the pandemic, changes to DWP policy were under regular review and Equality Analyses were completed in respect of measures the Department developed and implemented for its economic interventions. For example, Equality Assessments were carried out when changes were made to the SSP regulations and set out in the

Equality Analysis for Statutory Sick Pay regulations and Equality Analysis for Test Trace and Isolate deeming rules.

169. The Government was challenged by way of judicial review (heard in November 2021) on its decision not to extend the UC £20 uplift to legacy benefit claimants in **R. (on the application of T) v Secretary of State for Work and Pensions [2022] EWHC 351 (Admin)**. The claimants, who were in receipt of legacy benefits, raised two discrimination claims: (1) the difference in treatment amounted to unlawful direct discrimination; and (2) it was unlawful indirect discrimination on grounds of disability. The claimants said the difference in treatment amounted to a breach of Article 14 of the European Convention on Human Rights (ECHR). The Administrative Court dismissed the application. The court accepted that the circumstances in which the 2020 and 2021 Regulations were passed were exceptional and the distinction was justified, it was reasonable and *'was designed to achieve macroeconomic objectives at a time of major national disruption'*. The Regulations sought to provide additional support to those who had lost employment or income because of the pandemic and claiming means-tested benefits for the first time.
170. The claimants appealed [**T & Ors v Secretary of State for Work & Pensions [2023] EWCA Civ 24**] on the grounds that the judge had erred when he assessed the decision of the Secretary of State for Work & Pensions. The judge had focused the justification and proportionality assessment at the time the measure (UC uplift) was enacted in March 2020 and not when it was extended (March – October 2021).
171. The Court of Appeal dismissed the appeal. The judge had understood that the challenge was to the 2021 Regulations but was right in considering the position both in 2020 and 2021. The judge had considered, and accepted, the DWP rationale for the decision taken in 2020 and March 2021. The UC uplift was not to alleviate poverty or financial hardship faced in consequence of the pandemic but rather a temporary measure designed to address a national emergency. The measures pursued a legitimate aim and the difference in treatment was proportionate.
172. The Equality Analysis for the purposes of meeting PSED obligations is contained in the following exhibits:
- (a) An Equality Analysis for The Social Security (Coronavirus) (Further Measures) Regulations 2020 is contained in [**KT9/44-INQ000592916**].

- (b) Equality Assessments were also completed for the Kickstart Scheme-, and other interventions **[KT9/26-Equality Analysis for the Kickstart Scheme -INQ000592938]**.
- (c) An Equality Analysis was completed in February 2021 for the Universal Credit (Extension of Coronavirus Measures) Regulations **[KT9/15-INQ000474825]**.

173. In developing and designing the Kickstart scheme, I have described above how the eligibility criteria were developed. The initial focus was to be on those aged 16 - 24 who were on benefits and at a higher risk of long-term unemployment. The policy design considered individuals who may be at any disadvantage. A person was suitable for the scheme if one or more of the following applied **[KT9/25-INQ000592929]**:

- (a) 6+months unemployed and seeking work (potentially less if with a specific labour market disadvantage) including this year's graduates and people who have been furloughed.
- (b) In UC intensive work search regime.
- (c) One or more specific disadvantages (provided these are not barriers to being able to meaningfully engage with the opportunity without other support first) (e.g. care or prison leavers).
- (d) In a particular local/national priority group (e.g. in serious violence or hotspot area, young carer etc).

174. On 12 August 2020, an 'Equality Analysis for the Kickstart Scheme' was completed **[KT9/26-INQ000592938]** which sets out the analysis undertaken by the Department to enable Ministers to fulfil their legal obligation of Public Sector Equality Duty ('**PSED**') under section 149 of the Equality Act 2010. The analysis also considered relevant international instruments, in particular, the United Nations Convention on the Rights of Persons with Disabilities (CRPD). The analysis conducted an equality impact based on age, gender, ethnicity, disability, maternity/pregnancy, sexual orientation, gender reassignment, religion or belief, marriage and civil partnerships.

175. I have also described above how my team advised the Secretary of State and Minister for Employment on 19 February 2021 [KT9/27-INQ000592945] on whether to expand the eligibility of the Kickstart Scheme to claimants on Employment and Support Allowance ('ESA'), Jobseekers Allowance ('JSA') and Personal Independence Payment ('PIP'). The advice makes it clear that DWP was engaging with and encouraging organisations that work with disadvantaged young people to take part in the Kickstart scheme to help ensure young people from disadvantaged groups, including those with disabilities or health conditions, had access to the Kickstart Scheme. In line with the Equality Act 2010, reasonable adjustments were considered for Kickstart jobs to assist those with health conditions or disabilities. DWP also offered a range of support programmes including Access to Work and Disability Confident to advise and support employers looking to take on disabled jobseekers.
176. I am aware of, but was not involved in, in other DWP initiatives that focussed on inequalities and vulnerable groups. These initiatives have been addressed in some detail by Neil Couling in the Corporate Witness Statement.

#### Recommendations on inequalities and particular groups

177. The inquiry has asked for my recommendations to improve the way in which the UK Government and DWP make decisions on inequalities and economically vulnerable groups at a time of national emergency. I believe that it was appropriate for the Government to want to protect vulnerable people, supporting people to shield during the early stages of the pandemic and for DWP to suspend face-to-face contact in Jobcentres and face to face assessments to protect people's health. I also believe that it was appropriate to deliver additional financial support to vulnerable households by working with local authorities, as they are well placed to know people in their communities. In a future economic emergency, I would recommend that the Government should look again at how best to protect vulnerable people and how best to work with local authorities to deliver support. The Government should also consider whether it could also deliver support through working with charities who support vulnerable people.
178. I have also been asked for my reflections on how to improve any future response in the event of an economic crisis, and consideration of the impact of economic support delivered to particular groups of people. The Department has carried out separate evaluations of the Plan for Jobs and specific interventions including the Kickstart

Scheme and Restart, as well as interventions delivered to support disabled people and those with health conditions. Since the pandemic the Department has also looked at inactivity related to health conditions and disabilities and the evidence on how to tackle it. I recommend that this work should inform how future support is designed and delivered in the event of a future economic crisis.

## SECTION 7: DATA AND MODELLING

179. During the pandemic, the Government's rapid response was only possible by using existing systems and data already embedded across departments. In DWP I felt well supported by the way the Department used data and analysis, and in particular by the way the Department was able to use real-time operational data to support policy decisions.

### The Department's use of data

180. In the period leading up to the pandemic, DWP used a variety of data sources and analytical techniques to support effective planning, strategic decision-making, and policy development. Details of these sources have been explained in the DWP Corporate witness statement including:

- (a) The use of Propensity Score Matching ('PSM') methodology by DWP analysts to compare two similar groups of people, where the main difference was whether they had participated in Kickstart.
- (b) The use of ONS analysis based on the UK Coronavirus (COVID-19) Infection Survey (CIS) data to explore the relationship between self-reported long COVID and economic inactivity.

181. More broadly, sources of data in the early stages of the pandemic included SAGE forecasts, qualitative data from front-line staff and management information to understand the scale of the issues being faced. Universal Credit data was used to understand the characteristics of claimants (e.g. age, location) and was matched to other information, such as HMRC and DfE data, to get a better understanding of labour market and education histories. The data was supplemented with information from the Labour Force Survey. I believe that the data we had was sufficient to support the decision-making at the time and that we were able to use real-time operational data as

well as broader data and analysis effectively [**Labour Force Survey Annual Summary 2021 – [KT9/45-INQ000654466]**].

#### New sources of data

182. Existing data sources played a large role in this period due to a combination of their availability and the Department's understanding of them. As the environment moved from 'steady state' to one of rapid change, data timeliness became a more important issue. This meant a shift to daily monitoring of data where possible, tracking of staff availability, and collecting new internal Management Information data, such as data on whether new Employment and Support Allowance claims were due to COVID-19.

183. DWP made use of new sources produced by the Office for National Statistics, including the COVID-19 Infection Survey and COVID-related questions added to ONS's Opinions and Lifestyles Survey (OPN). DWP also made use of regular monitoring of Google search data, Citizens Advice Statistics, GP appointment statistics and NHS waiting lists. I found this a useful source of relevant broader contextual information on how people were responding to the pandemic.

#### Structures and processes

184. It became important to have standardised data packs produced by key teams, so that everyone was looking at the same data and able to make decisions based on that information. DWP's Operational Analysis and Performance Insight Division ('OAPI') worked to standardise reporting through the production of weekly performance reports, which ensured Ministers, the Department's Executive Team and others had timely, consistent strategic-level information. The Kickstart Scheme developed a data dashboard and worked to improve the data that it used to monitor progress, and over time we had better and more accurate data.

#### DWP's use of mathematical statistical and/or economic modelling

185. Throughout the pandemic, DWP made extensive use of modelling a range of statistical analysis methods to inform its policy responses. One notable example is the work undertaken by the Universal Credit team when preparing Ministerial advice on whether to retain or withdraw the Universal Credit uplift. This evidence-based analysis played a valuable role in shaping the policy discussion, ensuring that Ministers were informed of

the likely consequences for vulnerable populations and enabling a more robust and transparent decision-making process. This advice was presented to the Prime Minister, Chancellor and Secretary of State for the January 2021 'trilateral' meeting [KT9/17-INQ000592918], [KT9/18 INQ000654461]

186. Throughout my time at DWP, I felt well supported by the analytical teams, who were embedded in the policy Directorates and worked closely alongside the policy teams in supporting decision-making. For example, the lead analytical team were closely involved in the development of the Kickstart Scheme and played an important role in the Delivery Board overseeing its implementation. I believe that we did have sufficient data and economic modelling to support the policy design and delivery of the Kickstart scheme, as demonstrated in the equality analysis for example, [KT9/26-INQ000592938]. I also had a weekly update from my Universal Credit analytical team sharing insights from their work and other relevant data, which I found helpful context throughout this period.

## **SECTION 8: REFLECTIONS AND LESSONS LEARNED**

### Relationship with HMT & Autonomy in decision making

187. On reflection, I believe that the relationships between DWP and HMT worked well and supported decision-making related to the Universal Credit and WTC uplift and Kickstart during the pandemic. Since all decisions that have an impact on Annually Managed Expenditure ('AME') must be agreed with HMT, DWP needs to work closely with HMT on all decisions that affect the social security system and the labour market. Given this position, I believe that DWP had appropriate autonomy in relation to decision-making concerning the Universal Credit and WTC uplift and Kickstart during the pandemic.

188. In general, I found the relationship between DWP and HMT to be collaborative and productive, and communication between DWP and HMT happened frequently. In practice the need to ensure that decisions that affected public spending were approved by HMT Ministers as well as DWP Ministers did not negatively affect or slow down our response, because HMT Ministers recognised the need for urgent operational changes and responded quickly to our proposals. HMT also respected the role that DWP played as an operational delivery department with expertise in supporting individuals and delivering to people.

## Main Challenges

189. In my role during the COVID-19 pandemic, I witnessed first-hand the significant challenges DWP faced in responding to the economic impact of the pandemic. A major challenge was the lack of foreseeability regarding key aspects of the pandemic, such as when lockdowns would be imposed, and their duration. We did not know at the beginning of the pandemic that lockdowns would last for so long and that there would be a repeated need for further lockdowns to manage the pandemic, and that the health advice on self-isolation would change repeatedly. This uncertainty made it extremely difficult to tailor benefits and support schemes effectively. Without knowing how long the crisis would last or how it would evolve, we had to design and implement interventions rapidly without the opportunity to fully align them with the unknown longer-term needs of claimants. This unpredictability created ongoing challenges in both policy design and delivery.
190. A further challenge for the Department's operational teams was the sheer scale and speed of demand for support. In the early stages of the pandemic, there was a very significant increase in the number of people who required access to benefits, particularly Universal Credit. This placed enormous pressure on our systems, resources, and frontline staff. A complicating factor was ensuring that DWP's digital infrastructure could cope with the surge in applications. While we had made progress in modernising our systems prior to the pandemic, the volume we experienced during those initial weeks tested our resilience and required rapid scaling and innovation to maintain service delivery. Staffing was also a key issue: DWP had to quickly redeploy and train large numbers of colleagues to manage the spike in claims and maintain quality service, and significant numbers of DWP staff also contracted the virus in the early stages.
191. Additionally, as previously noted throughout this statement, policy decisions had to be made at pace, often in an evolving landscape, and implemented rapidly. Balancing the need for speed with the need for accuracy and fairness in decision making was an ongoing challenge, particularly as we worked closely with other departments to deliver a coordinated and collaborative approach. Because we needed to get our labour market interventions in place rapidly, we had to make decisions and implement them much more quickly than the Department was used to doing.

192. Finally, the very nature of the pandemic had an impact on people's health, and on employment for people with health conditions and disabilities. At the beginning of the pandemic DWP were concerned to protect vulnerable groups, who could be particularly negatively affected if they were infected by COVID-19, from contracting an infection due to contact with the Department. This meant that we moved quickly to suspend our mandatory face to face contact in Jobcentres, and face to face assessments for people with health conditions and disabilities. In effect we were prioritising the need to protect people's health over their employment needs, but it meant that we were not able to work with customers in the way that DWP was used to doing. During the pandemic some people were not able to access NHS treatment and support, and the lockdowns had a negative impact on some people's mental health. As we have recovered from the pandemic the UK has seen a continued significant number of people who are not working for reasons related to health conditions and disability.

#### A forward look

193. To better prepare for a crisis in the future I would recommend:

- (a) Ensuring the Department is equipped with scalable and flexible digital infrastructure capable of addressing a surge in applications, such as the unprecedented surge in demand for Universal Credit at the beginning of the pandemic.
- (b) Although an uplift to the legacy benefit was inconsistent with the Government's policy intention in this case, I would recommend that the existing legacy IT systems be upgraded so that, should it become necessary to implement an ad-hoc uplift, it would be operationally practical to do so.
- (c) Maintaining the ability to conduct health assessments and labour market conversations via telephone and video, to be used if necessary.
- (d) Ensuring that the lessons learned from the Kickstart Scheme and previous Future Jobs Fund are captured so the Government could rapidly introduce a youth employment scheme, if it wished to do so, including the way that jobcentres worked effectively with local employers.

- (e) Considering whether the Government should also rapidly introduce a disability employment scheme, if it wished to do so, building on the evidence from the interventions funded through the joint unit shared between DWP and DHSC.
- (f) Ensuring that the Government has employment support contracts that can be rapidly adapted with a short lead-time, as DWP did with the JETs scheme.
- (g) Considering what more could be done to maintain people's connection with their employer, if there were a furlough scheme in future.

194. Looking back, I am proud of the work that DWP carried out during the pandemic. We were faced with a very challenging set of circumstances and operated under intense time pressures with limited resources, yet we responded effectively. I am particularly proud of the Kickstart scheme. It provided valuable opportunities for young people during a period of significant labour market disruption and helped to improve their future employability opportunities. It also had a greater benefit for young people facing additional challenges.

## **SECTION 9: REQUEST FOR DOCUMENTS**

195. From the outset of the pandemic, there was a deliberate and considered effort to maintain a clear and comprehensive audit trail of all decision-making activities. This was regarded as a matter of priority, given DWP's responsibility for the management of substantial public funds. I used my DWP work email and Teams account to communicate about the economic response to the pandemic between 1 January 2020 and 28 June 2022.

196. I did use messaging services such as WhatsApp to maintain informal contact and provide informal support to colleagues, particularly when we were working from home and unable to see each other. However, informal communication channels, including WhatsApp, were not authorised for conducting official DWP business and we did not use them to make policy decisions during the pandemic. 193. Please note that I do not hold any significant diary or notebook records. All key exhibits have been referenced and included throughout this statement to support the points made.

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**Statement of Truth**

I believe that the facts stated in this witness statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief of its truth.

**Signed:**

**Personal Data**

**Dated:** 15 October 2025