

UC Full Service Product Development Prioritisation and Automation

Sponsor: Lara Sampson

Author: Lara Sampson

Board: UC Programme Board

Date: 14th June 2018

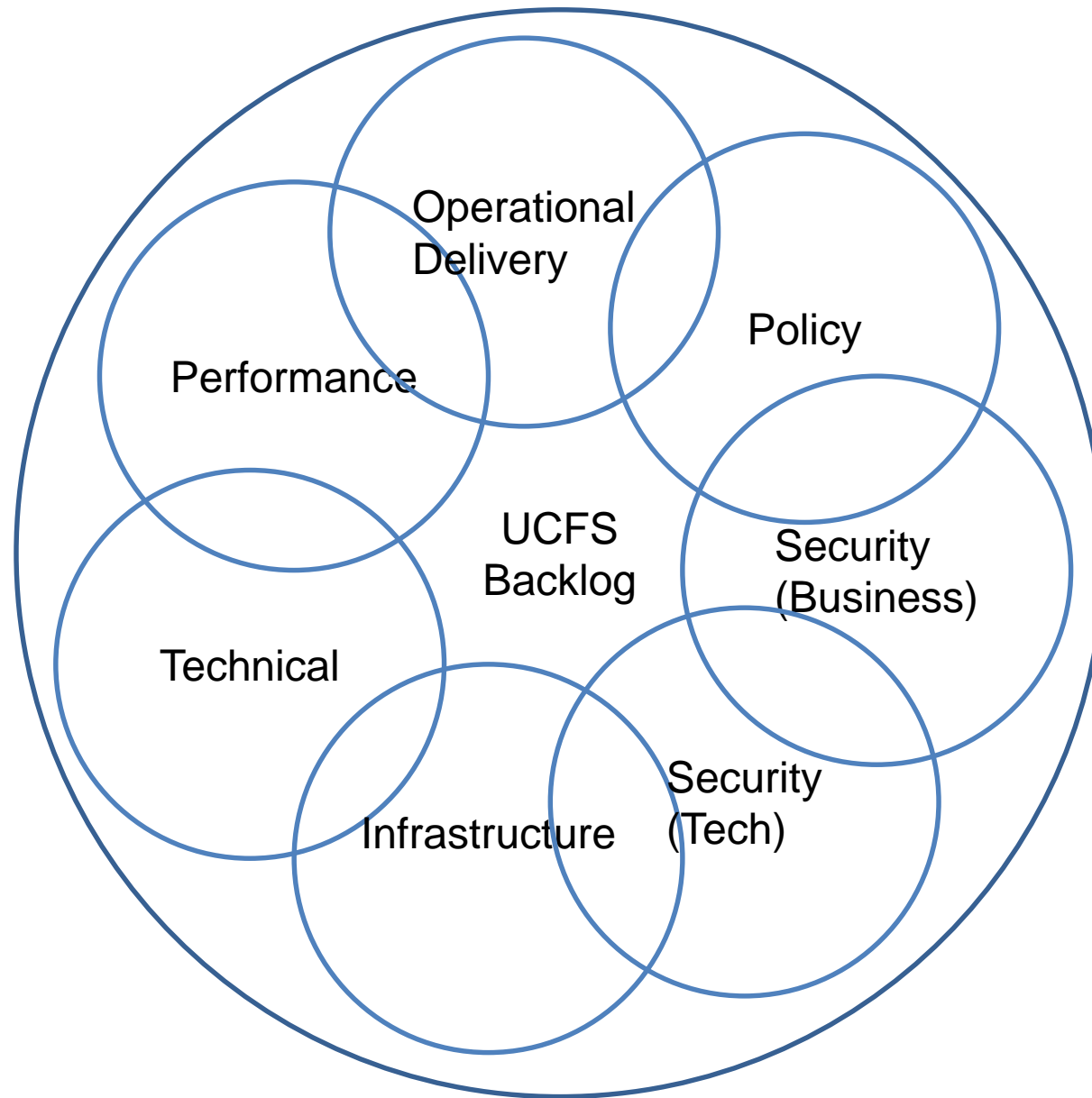
For Information

UCPB140618 – Paper 5

Purpose of update

1. To recap how product development is prioritised
2. To highlight how automation and efficiency fit within that
3. To bring the Programme Board up to date on the shape of product development for this year
4. To highlight the risks to achieving efficiency targets

A reminder that each phase needs to balance the priorities from a number of sources – automation tends to be part of Operational Delivery, Policy and Security



Automation priorities arise from 3 different 'types' of inefficiency

1. Process – straight automation of a manual activity (e.g. calculate and pay)
2. Operability – reducing pressure on teams working 'off system' and/or inclined to error and delays (e.g. email inbox)
3. Failure demand/customer experience – automating activity to change customer behaviour (e.g. messaging updates/reminders or putting data onto statements)

Each phase assumes a level of overall efficiency through the Digital Cost Model (DCM) based on assumptions of levels of automation (e.g. phase 6 = £18.7m)

But changes (particularly policy) can affect priorities and create a cycle that has a cumulative impact on progress of automation

Announced 2015 summer budget then delivered in 2016 and 2017 and 2018

Removal and reduction of Work allowances 2016

Reduction in SRS rents 2016 and 2017 and 2018

Taper rate change 2016

Limiting support to 2 children and introduction of 2 child gateway 2017

Removal of LCW component 2017

Removal of housing element for 18-21s 2017

Youth Obligation 2017

Parental conditionality changes 2017

Removal of 1st child premium 2017

SMI becoming a loan 2018

Surplus earnings and self-employed losses 2018

Announced 2017 and delivered 2017

Addition exemptions to RSRS policy

Taper rate change

Announced Autumn 2017 delivered 2017 and 2018

Remove Waiting Days

Increase advances amount and repayment period

HB run-on

Remove Temp accommodation from UC

AFIP exemption for 18-21 housing

Live service closure 2017

Impact

Delays planned automation

Creates additional things that need to be automated

Creates additional things that can't be automated – for example sensitive exceptions to policy – thus introducing structural inefficiency

Reduces flexibility of product development team due to hard delivery dates

Typically generates more work that estimated in planning stage

Reality

UCFS is persistently less efficient than it was envisaged to be at different points in time

Since 2015, time to automate and improve the service has been seriously curtailed by additional requirements

Perceptions

UC is inherently inefficient or manual processes have been 'designed in'

Product development team aren't prioritising automation

Extensions to the plan are due to policy needs (not delayed automation)

Specific impacts on Phases 5, 6 and 7

In Phase 5 (first half of this year) we introduced the following changes announced in the budget:

- Increase advances amount and repayment period
- Housing Benefit run-on
- Remove Temp accommodation from UC
- Armed Forces Independence Payments exemption for 18-21 housing
- Live service closure 2017

Plus GDPR and surplus earnings

Therefore removing:

- Health Gather, Segmentation, Work and Health Programme identify and refer, allocation to regime, Welsh language, NI credits, RBAC

Phase 6 has just been through similar cycle with the need to introduce:

- Severe Disability Payment policy
- Remove 18-21 housing policy
- Changes resulting from JRs

Impact of most recent changes on Phase 6 and Phase 7

We have committed to continue to meet £18.7m efficiency assumptions for Phase 6 but:

- Service differentiation (enabler of future efficiencies) and Health Journey transformation (of strategic and efficiency importance) are both at risk/not deliverable in phase
- Effort on integration with PYID will need to be carefully contained, particularly as we may wish to trial LOA1
- Integration with TRaPs (third party referral and payment system for provision) is deferred to **Phase 7**

We also moved the Transitional Protection element in calculator to make space for SDP but its important that it is picked it up as a priority in Phase 7 to maximise learning. There are other major priorities in Phase 7 - they can't all be assumed as early:

- MGP1 automation (enables stopping of other DWP benefits) to reduce national inbox pressure
- Reduction of PSN (personal security number) to reduce pressure on Jobcentres during onboarding process
- TRaPS integration
- Removal of 2 child gateway and
- National Insurance Contributions integration to remove HMRC need to check for double provision of tax free childcare

P6 now looks like

- 4 x problem statements**
- 9 x non negotiables**
- 9 x critical features**
- 4 x continuing P5 features**
- And 1 x remaining previous commitment**

Highest priority problem statements	Policy	Tech	Security	Operational Efficiency	Product Support	UCD
Claimants can't follow the new claim journey, fail to make / attend appointments and bring incomplete evidence.						
Calculation is not sufficiently resilient to late, missing or incorrect RTE, DMS & CIS feeds						
Claimants aren't aware of the circumstances the system holds and so declare information incorrectly and the system pulls forward incorrect dates for calculation and labour market regime						
Claimants don't understand their award and call DWP to discuss it						

Requirement	Size
** Removal of the manual calculator	XL
** Fix effective dates	L
Role based access controls	L
** RTE integrations	2 x M
Realign claims to second line product support	XL
* CIS refactoring	XL
* Replaces CPS IPaaS with SFT	L
* Database migration framework	XL
Database encryption	L

Requirement	Size
PYID testing branch	L

P6 now looks like (2)

Requirement	Size
Know someone is a managed migration claim and ingest TP element	XL
Remove the two child gateway	L
Migrate to new appointment booking provider	XL
* Severe Disability Premium (swapped for TP calc)	L
* Cold Weather Payments	L
*JR - Kinship Care Exemption from 2 child policy	S
* Revert 18-21 housing policy	S
* JR - Send successful appeals back to legacy	S
* Support DWP change to non GSI email addresses	M

Third Party Deductions (ongoing from P5) IN DEVELOPMENT	XL
Advances self serve (ongoing from P5) IN DEVELOPMENT	L
Corporate appointees (ongoing from P5) IN DEVELOPMENT	XL
Notify CIS (carried over from P5)	L

This is still a substantial amount to deliver and therefore some features may not be completed. The backlog will also continue to change in response to any emerging needs.

Leveraging wider capability

Teams in Leeds and Manchester are working on UC functionality including:

- Prove you can apply – reduces workcoach time on Habitual Residency Test (HRT) interviews and (in partnership with UCFS changes) reduces pressure on HRT decision makers so increasing payment timeliness
- Request a Alternative Payment Arrangement (APA) from a private landlord – improves the process and therefore increases payment timeliness
- Passported benefits
- Prepare for UC – to help sites get ready for go-live
- Dataworks – to ensure we have the right data to manage the business, understand outcomes, enable innovation through data and meet GDPR commitments
- Prove your identity – testing identity solutions to exist alongside, or instead of, Verify LOA2 to improve % use of remote identity solutions
- Managed migration – testing the user experience and operating model, including calculation of TP, of claimants being migrated onto UCFS
- Automation opportunities – in particular in Live to Full Service Transfers

Leeds and Manchester can work on 'de-coupled' bits of the UCFS journey (as above). We are looking for those opportunities and ways to create more of them and we are aligning ways of working across Leeds, Manchester and London to make it easier to deliver value across sites. However, total geographical distribution of backlog development is not achievable in the near term.

Protecting automation and efficiency

- The success of Managed Migration depends on UCFS being an efficient and operable system - not just on moving claimants onto it. We will create a significant risk to Managed Migration if we deliver sufficient efficiency by 2020
- It is also important to the Department in the context of the 19/20 efficiency challenge that we protect work to drive automation, efficiencies and operational control in UCFS
- We have contributed to a proposal to DWP's executive team to extend Phase 7 and protect its scope to focus on efficiency opportunities. That proposal will be fed into summer planning but needs to be considered alongside the realistic ability to defend against further policy challenges
- The Programme Board can assist by raising awareness of the impact on efficiencies of scope change and supporting collective discipline in protecting that scope