

To: Universal Credit Programme Board

From: Ian Wright

Date: 16th April 2019

Summary: This paper provides an updated baseline for the UC Programme Plan through to 2023

The proposed 2019 - 2023 plan includes:

- The high level plan and service maturity indicators to deliver and assure consolidation of the UC Service as volumes increase significantly through 2019/2020
- Plans to commence the Move to UC Pilot in July 2019 including an outline of our Readiness approach to commence the Pilot in July 2019
- An outline planning horizon through to 2023 that explains how we plan to: mature the service as volumes scale; meet agreed Ministerial commitments; deliver legislative changes; and meet other Policy and departmental priorities.
- Highlights the capacity challenge the Programme has in delivering any future Ministerial, legislative and policy proposals.

UC Programme Board are asked to:

- **Agree the UC Programme plan through to 2023.**
- **Note the continued capacity constraints to delivering existing commitments and to meet future Ministerial and policy proposals including Spending Review outcomes.**
- **Seek Programme Board support to maintain the agreed baseline position against future pressures for new and additional requirements.**

1. Background

Following completion of the national roll out of the Full Service the planning team have been working with Directors and key stakeholders to refresh and update the Programme end-to end-plan in line with Programme delivery objectives. The updated Plan includes:

- The high level plan and service maturity indicators to deliver and assure consolidation of the UC Service as volumes increase significantly through 2019/2020
- Plans to commence the Move to UC Pilot in July 2019 including an outline of our Readiness approach to commence the Pilot in July 2019
- An outline planning horizon through to 2023 that explains how we plan to: mature the service as volumes scale; meet agreed Ministerial commitments; deliver legislative changes; and meet other Policy and departmental priorities.
- Highlights the capacity challenge the Programme has in delivering any future ministerial, legislative and policy proposals.

To support the presentation of the plan the Programme has considered the key phases that the Programme will undertake in order to complete delivery by 2023. In broad terms the phases are:

- 2019/20: **Consolidation, service resilience and Pilot:** Consolidate the UC Service, continue to mature the service to cope with increased volumes and Prepare and implement the Move to UC Pilot
- 2020/21: **Service Improvement and Scale:** Continued Service Improvements, evaluate and iterate Move to UC design through the Pilot, prepare and commence scaling of Move to UC.
- 2021/2023: **Move to UC Roll Out:** Continued Service Improvements and conduct and complete the delivery of Move to UC

2. Consolidation

Having completed the roll out of the Full Service in December 2018 consolidation and the safe and secure delivery of Universal Credit is a priority for 2019/20. The Programme has prepared a 2019/20 Consolidation delivery schedule acknowledging the key Programme priorities, which are:

- Delivery of agreed **non-negotiable requirements and Ministerial Policy commitments;**
- Measures to sustain performance as volumes scale significantly through 2019 (Current forecasts indicate that we will reach circa 2.6 million household claims by December 2019) - **by non-negotiable this now includes technical debt, security, operational efficiencies and system fixes. Allowing the service to continue to cope with increased volumes, which we explained to Programme Board last month we now have no way of slowing down;**
- Protect Case Management and **outcomes without creating problems elsewhere in Universal Credit Operations;**

The IPA have recently completed their review of the Universal Credit Operational Plan for 2019/20 we are awaiting the final report and Programme Board will be provided with more detail of this review at a future Board meeting.

Deliverables planned for the year of Consolidation include:

- Closure of the Live Service and decommissioning Live Service systems
- Expanding Service Centre Capacity including Implementing the 25th Centre, Hastings, in April
- Product Development (P7) outcomes including Third Party Authentication Service (Traps) integration, GDPR compliance, identity verification solution
- Driving increased productivity for the service, including implementation of the UC channel strategy
- Driving further improvement in delivering the Labour Market regime in line with Business Case expectations
- Policy and Ministerial commitments including: reducing deductions, increasing work allowances

- Completing transition to the new Appointment Booking tool (Q – flow)
- Implementing Universal Support – Help to Claim
- Digital Plus Evaluation and preparing for national rollout (**See Annex 1**)

In addition to support monitoring the Full Service through consolidation and increasing volumes we have developed a set of indicators that we will use to assure that satisfactory operational performance is being maintained:

The Indicators focus on 4 key areas: Affordability, Capacity, Accuracy and Operating Performance The assessment of these indicators will be employed to:

- Provide assurance that the service remains safe and secure as volumes increase
- Provide early warning of any area of performance degradation which can then be addressed/mitigated and monitored through to resolution supported by continuous improvement activity or deployment of contingency options
- Build on best practice employed to monitor and control our understanding of performance through Transition.
- Inform Senior Governance in providing an assessment of operational performance for when the time comes, to increase Move to UC volumes.

Annex 2 provides a view of the Indicators that will be used on an ongoing basis to provide an assessment as to the operational performance of UC.

3. Plans to commence the Move to UC Pilot

Plans are maturing for the commencement of the Move to UC Pilot however some uncertainty remains due to there being no confirmed regulatory timetable in place for debating and securing the Migration regulations due to difficulties in securing parliamentary time whilst the EU Exit discussions continue. Key points for the planning approach are:

- Currently the regulations permit the piloting of up to (but not more than) 10,000 claims to ensure a safe and secure approach when scaling the service.
- Ministers announced (11th March) Harrogate as the initial Pilot site with initial preparatory discussions underway with the site.
- Current plans anticipate that the Pilot will commence on 17th July 2019 with initial work focussing on the Core Learning Objectives:
 - Test TP – our ability to calculate, explain, pay and erode TP
 - Test engagement and effective mobilisation to successfully claim UC at right time
 - Test support mechanisms – particularly identifying and supporting complex and vulnerable claimants through their journey

In-line with agreed best practice as the Pilot develops we will learn and adapt, refining processes, and from Summer 2020 develop plans to commence the scaling of Move to UC, including securing the required legislation to do this.

Annex 3 provides the Move to UC Plan

4. Moving to UC Pilot Readiness Assessment

The Move to UC Pilot plan includes provision for a Readiness assessment to commence the Pilot in July 2019. Bearing in mind that the initial Pilot phase will involve circa 100-500 cases the readiness assessment will be proportionate and aligned to the Core learning objectives.

As volumes increase and plans are developed to operationalise the service at scale more comprehensive criteria will be prepared in line with the already established best practice that the Programme has employed to assess readiness at each stage of the roll out of the Full Service.

5. Planning Horizon to 2023

Following feedback from Ministers and SRO the Programme has prepared a view of the longer term delivery plan. This plan considers several factors including;

- **Supporting increasing claimant volumes:** A significant proportion of build capacity will be consumed on an ongoing basis to support and maintain the service, and to continually iterate and improve the service efficiency, which is necessary to withstand the increasing demand brought through growing claimant volume;
- **Move to UC:** Pilot delivery, preparations (design and delivery) to increase volumes, move to scale and complete migration.
- **Existing commitments:** A number of features have already been prioritised. These commitments are varied and relate to delivery of existing public policy commitments, positive claimant outcomes, and ensure the service is and remains compliant with wider policy changes and environmental factors (e.g. EU exit).

Annex 4 provides the delivery plan for existing agreed delivery commitments to 2023.

While there is an agreed set of delivery commitments to 2023 there are additional items that need to be prioritised and scheduled for delivery within the planning horizon. These items include;

- **Policy Compliance Activities:** Work required to address inconsistencies in policy implementation, or to refine approach following legislative review.
- **Departmental Transformation:** Development and build activity required relating to cross departmental initiatives that support Universal Credit in which significant enhancements are needed to the service.
- **Ministerial policy changes:** Policy directions, some of which have been made publicly, while pending legislation each of which represents a significant change to the UCFS design, the delivery of each requiring several large features.

Annex 5 lists the identified items to be scheduled for delivery within the three groups described above.

In developing a complete schedule that incorporates the additional items to the existing baselined priorities it is recognised that the development backlog is at capacity. With this in mind it should be noted that delivery of any additional requirements may require choices to be made as to what may need to be sacrificed from the current plan to accommodate any new requirements.

Annex 6 provides the full forecast plan to 2023, incorporating existing agreed delivery commitments alongside forecast delivery of items previously unscheduled.

To aid understanding and for transparency **Annex 7** provides further detail on the ongoing elaboration of the service which consumes a large amount of capacity but is imperative in order to accommodate the increasing volumes. As we explained at last month's Programme Board, with the Legacy Benefit gateway now closed there is no way to slow down the volume increase and these items are now seen as non negotiable.

6. Capacity Challenge

The UC Programme has committed to delivering several Ministerial commitments including those announced within the Autumn Budget 2018. In addition, with volumes of claims increasing significantly now that the gateway to legacy benefits has closed (1.4 million at December 2018 to over 2.5 million households by the end of 2019), it is vital that the Programme focusses on Consolidation to ensure technical scalability of the service and increasing automation to deliver operational scalability as the caseloads grows rapidly.

The need to maintain stability in the Programme of Universal Credit delivery is critical at this point, where we are also planning to start moving claimants to UC from legacy benefits on a test basis from July 2019.

Where there is pressure to deliver additional measures to those scheduled, a prioritisation decision will need to be made on the timescales (or sacrifice) for delivering work already scheduled, excluding non-negotiables highlighted in this paper, alongside considering work resulting from exiting the EU and the Spending Review.

7. Summary and Recommendation

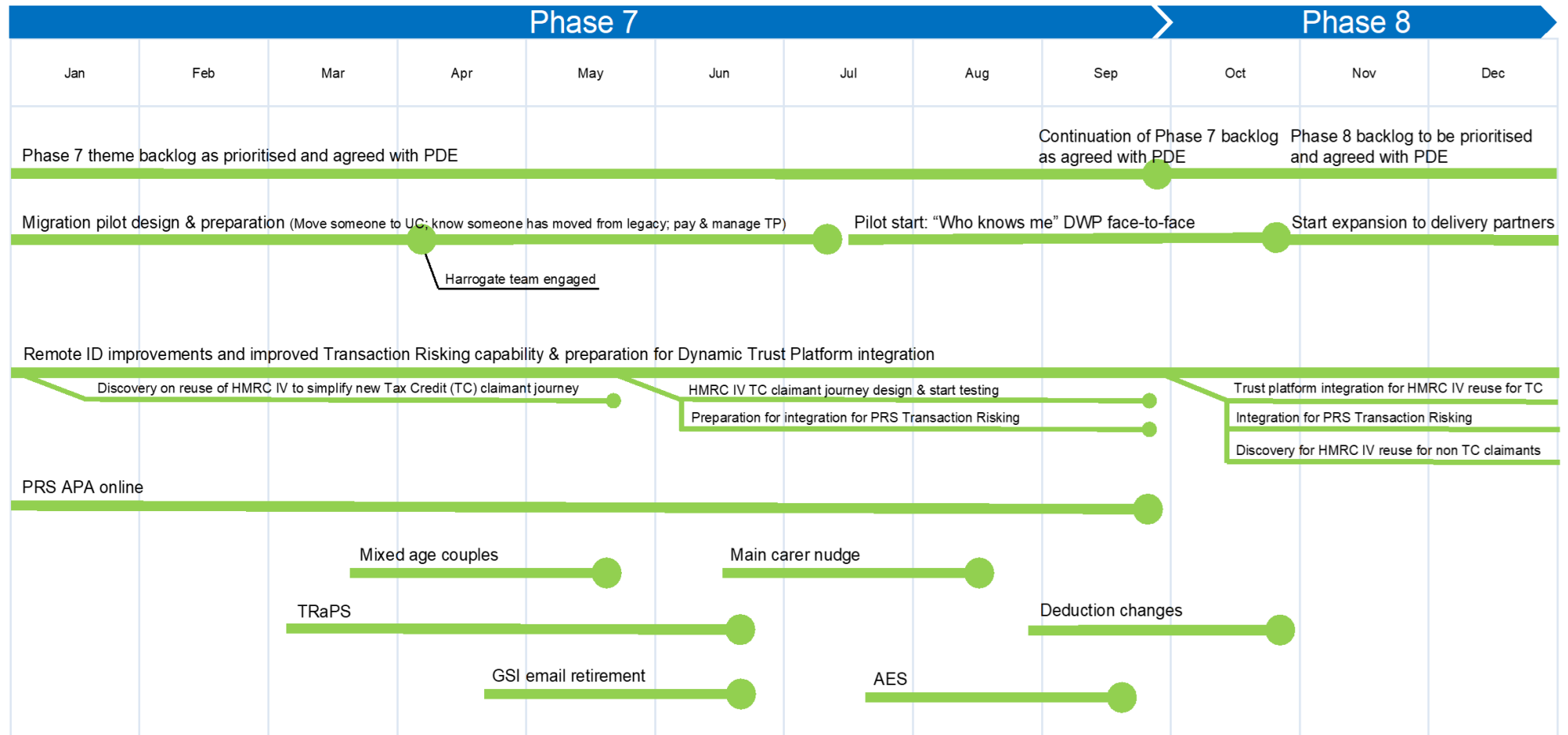
UC Programme Board are asked to:

- Agree UC Programme plan through to 2023.
- Note the continued capacity constraints to delivering existing commitments and to meet future Ministerial and policy proposals including Spending Review outcomes.
- Seek Programme Board support to maintain the agreed baseline position against future pressure for new and additional requirements.

Ian Wright

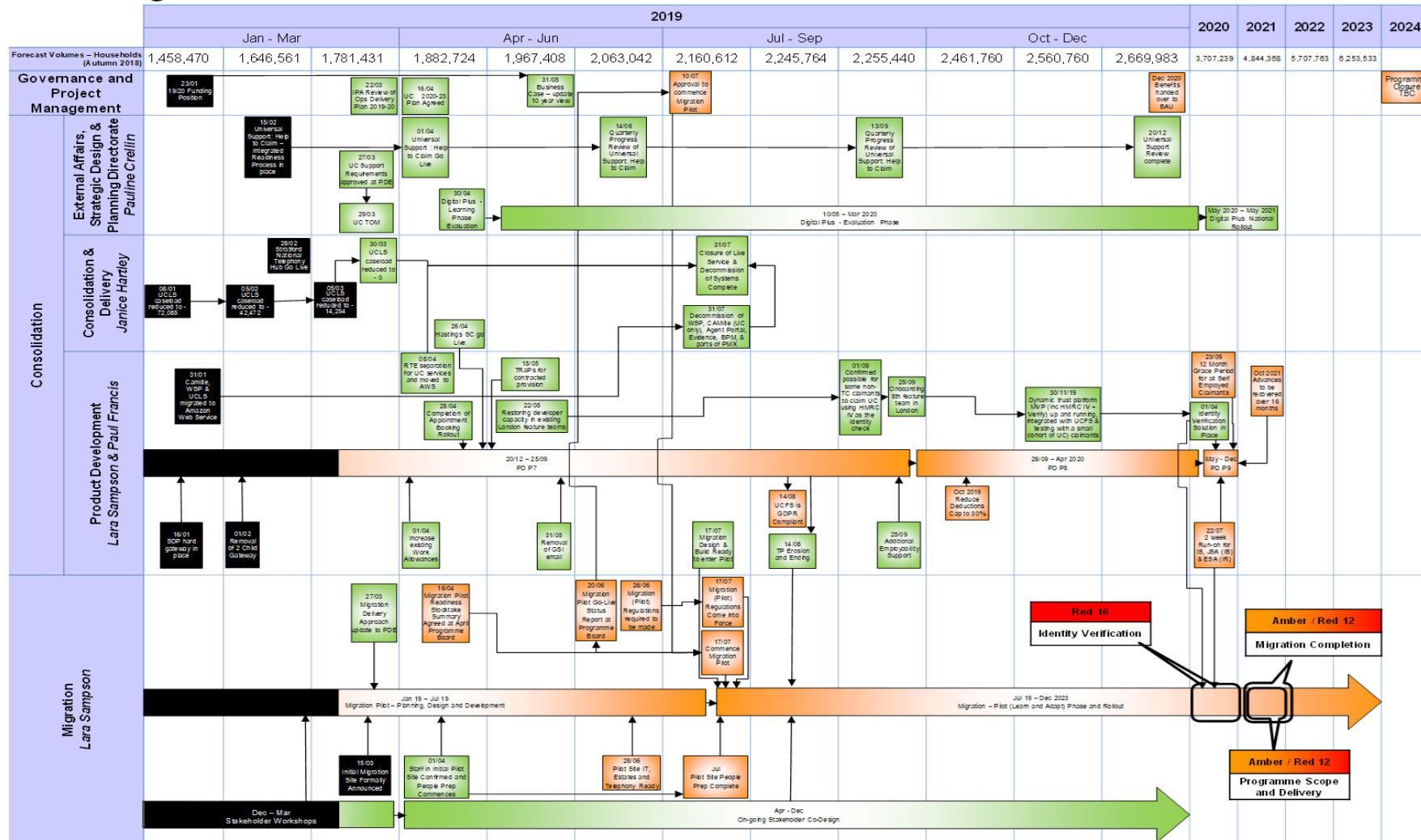
Annex 1

UC Schedule 2019: Current commitments



UC Programme E2E Critical Path

V0.281



Indicators

These Indicators provide the metrics to assess Service Maturity as volumes rise in 2019/20

Trend Analysis

Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
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Affordability

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Capacity

Resourcing

One Service National Supply vs Demand - Jobcentres	Demand			22,399	25,230	22,877	24,643	22,428	24,091	21,763	24,313	23,592	21,980	24,405	27,249	24,238	26,371	23,623
	Supply			24,217 (+1,818)	24,200 (- 1,030)	23,965 (+1,088)	23,661 (-983)	23,562 (+1,134)	23,646 (-627)	23,366 (+1,604)	23,269 (-1,043)	23,173 (-419)	23,076 (+1,096)	22,980 (-1,425)	22,885 (-4,364)	22,789 (-1,448)	22,695 (-3,677)	22,600 (-1,023)
One Service National Supply vs Demand – Service Centres	Demand			7,086	7,612	7,019	8,157	7,589	7,855	7,671	8,014	7,929	7,655	8,074	8,440	7,882	8,363	7,595
	Supply			7,486 (+400)	7,843 (+231)	8,124 (+1,105)	8,052 (-105)	8,073 (+484)	8,085 (+230)	8,088 (+417)	8,116 (+102)	8,142 (+214)	8,140 (+485)	8,093 (+19)	8,046 (-394)	7,994 (+112)	7,4948 (-415)	7,902 (+307)

Accuracy

[illegible]

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Performance

Payment Timeliness

First AP, full UC payment	85.1%	82.5%	85%	86%	84%											
First AP, at least some UC payment	92.3%	90.6%	93%	93%	93%											

Heads of Work

DMA Payment Blockers (days o/s)	4.5	4.4	5.4	5.4												
DMA Productivity Measure – tbc – under development																
Caseload per Work Coach (Claimants)	201	199	206													
Cases per Case Manager	373	382	397													

Channels – Claimant Contact

Verify – Metric includes claimants who attempt and pass. It does NOT include claimants who do not attempt	36.6%	34.5%	37.7%	39.5%	41.0%											
Channel Shift (tbc)																
Telephony Inc. SERCO	ASA	5:20	4:52	4:53	4:16	2:43										
	PCA	85.1%	85.7%	84.9%	85.7%	90.0%										
	AHT	7:43	7:43	7:25	7:19	7:19										
Ratio calls to Claimants	0.51	0.40	0.51	0.47												
Telephony Volumes (Offered)	Forecast	1,051,577	904,657	1,331,294	1,269,940	1,439,391										
	Actuals	1,130,018	1,003,001	1,464,553	1,379,386	1,412,398										

Labour Market

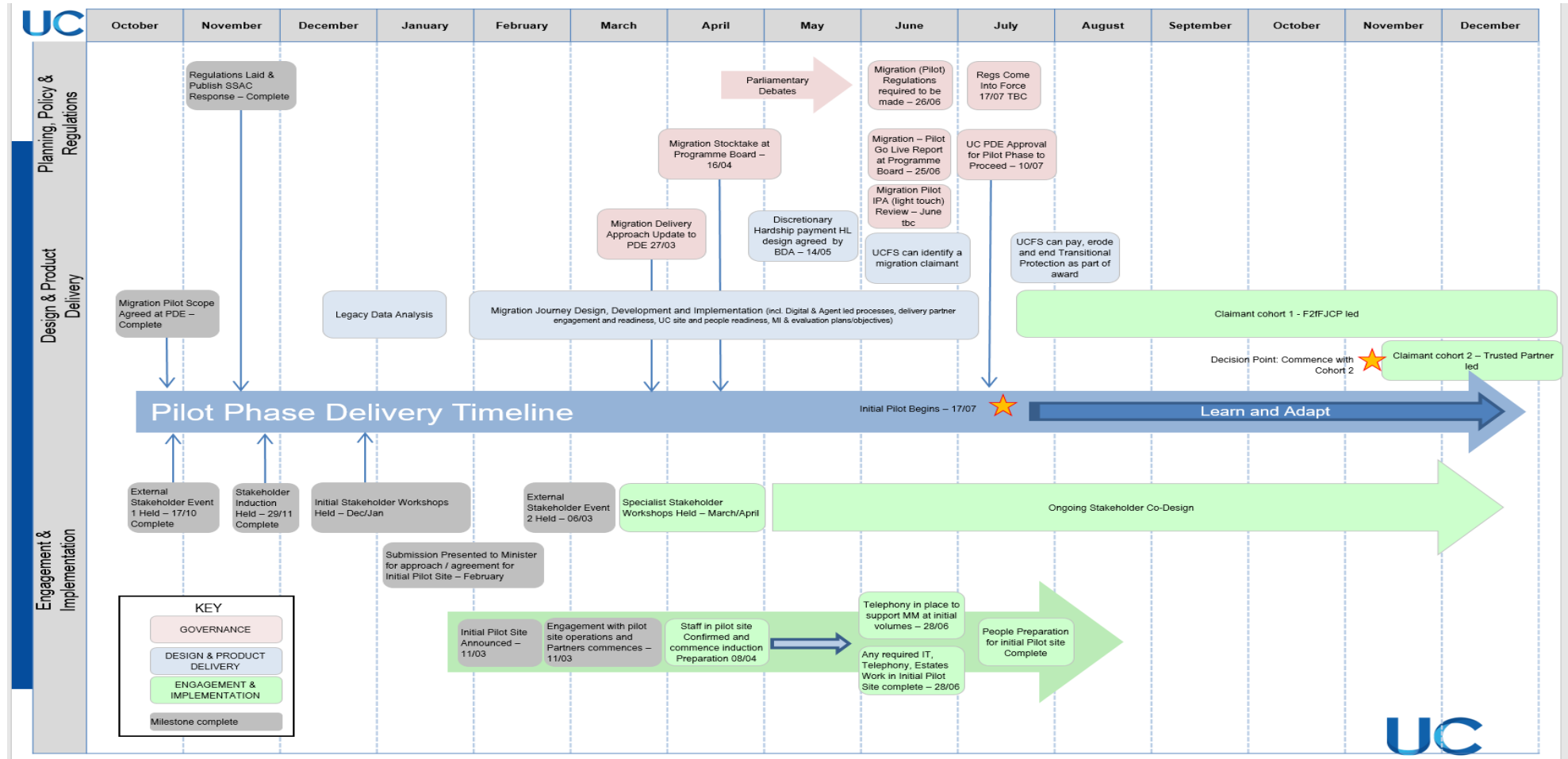
Evidence of Earnings – EER	41.5%	42.7%	40.6%	38.8%												
No Evidence of Earnings - NEER6	46.0%	45.3%	45.6%	47.7%												
Sustained Earnings - SEER3	84.0%	84.9%	82.8%	80.5%												
New Into Work Measure																
Intensive Work Search Group - % Zero interventions in Month		34%	26.5%	28.4%												

Customer Engagement

Customer Complaints (as a % of caseload – DWP standard is 0.10%)	0.06%	0.04%	0.05%	0.06%												
Customer Satisfaction	Q1 18/19 77%	Q2 18/19 77%	Q3 18/19	Q4 18/19	Q1 19/20			Q2 19/20			Q3 19/20			Q4 19/20		

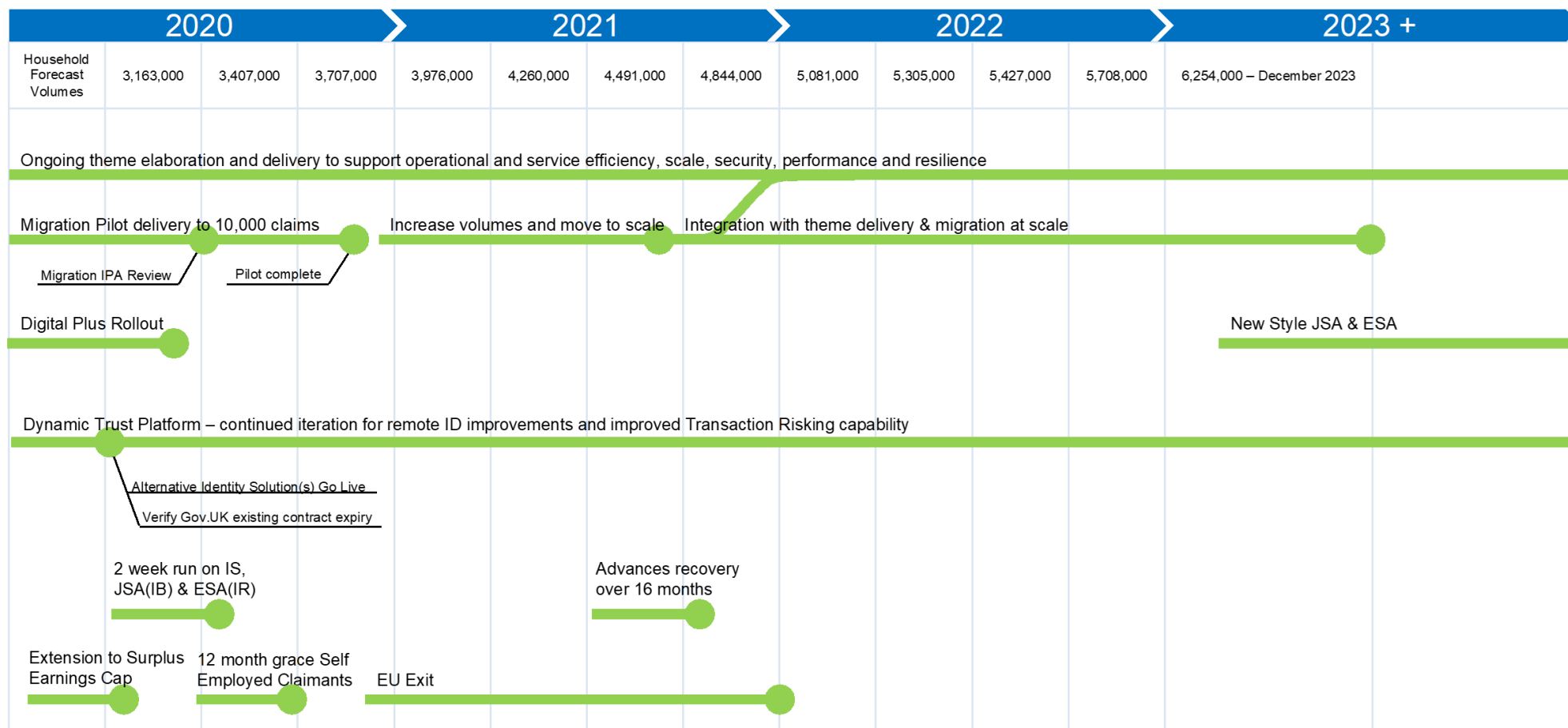
Annex 3

Move to UC initial pilot delivery timeline



Annex 4

UC Schedule 2020 to 2023: Baseline commitments



Annex 5

Forecast items for inclusion in the schedule

Policy compliance activities

Work required to address inconsistencies in policy implementation, or to refine approach following legislative review.

- Outcome of Benefit Cap JR(2019/20)
- Work Capability Assessment (WCA) for disabled students (2021)
- Support for Mortgage Interest (SMI) policy reinterpretation (2022)
- Shared Accommodation Rate (SAR) for care leavers (per SR15 agreement) (2022)
- Armed Forces accommodation allowance (2023)
- Child Maintenance Group policy changes to recovery (CMG) (2023)
- Benefit changes for Scotland (2022 onwards, two per year, assuming no accompanying policy changes)
 - DLA child and WHA - 2022
 - AA and CA – 2023
 - PIP and appeals - 2024

Departmental transformations

Cross departmental initiatives that support Universal Credit in which significant enhancements are needed to the service.

- **Handling of debt recovery.** The current batch recovery process will not scale beyond 2020/21, when the volume of debt recovery will exceed the time available for batch processing and exceed the debt staffing assumptions in the business case.
- **Integration with Health Transformation Platform.** Required to automate referrals and streamline info gather. 2021/22
- **Enhancements to dispute management.** To support automated Decision Making and improved efficiency of the service. 2022/23
- **Integration with Fraud and Error platform.** Support for automated referrals and to take advantage of Dynamic Trust Platform capabilities. 2023/24

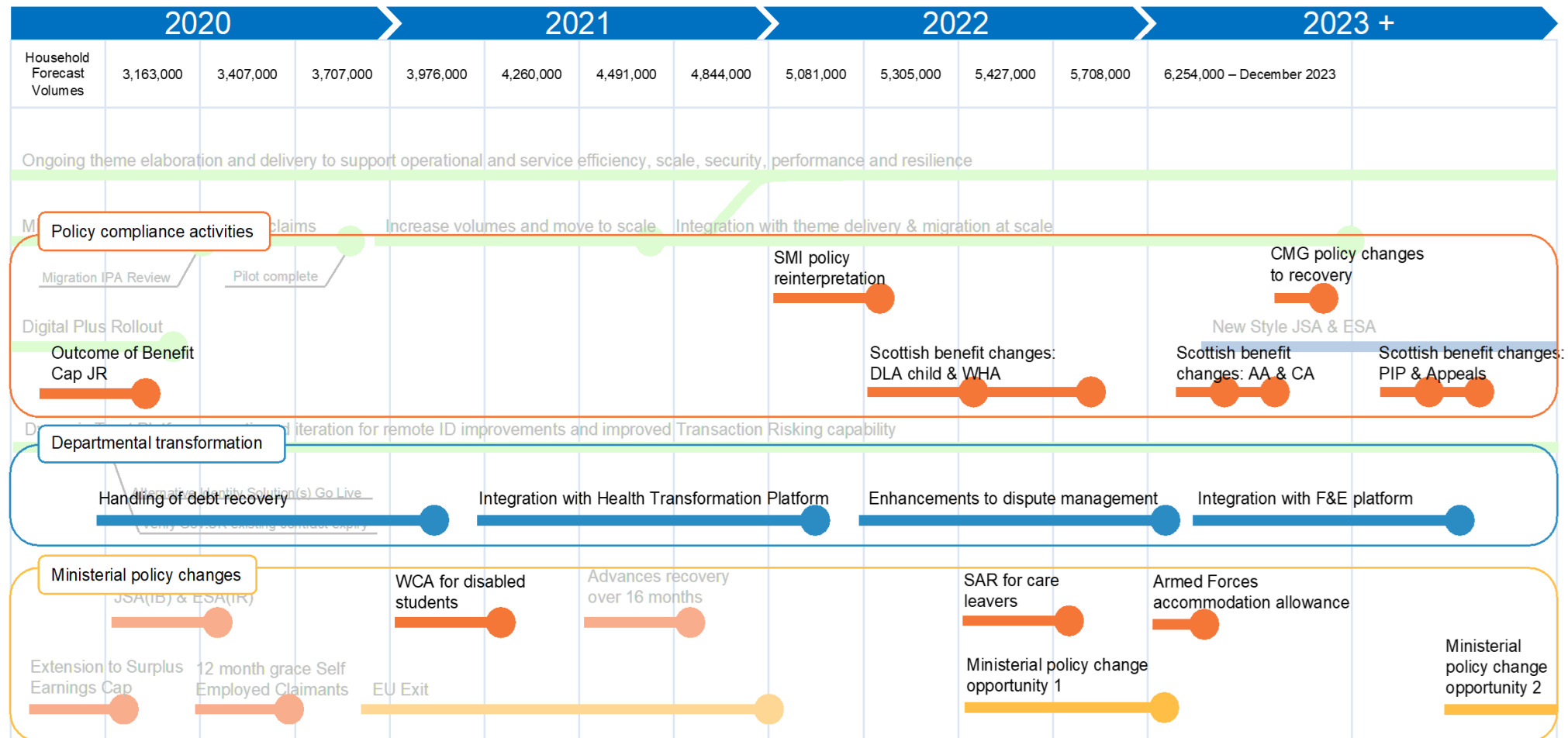
Ministerial policy changes

Policy directions pending legislation each of which represents significant change to UCFS design, the delivery of each requiring several large features.

- Breathing space
- Split payments by choice
- Managed Faster Payments (MFP) and Managed Payments to Landlords (MPTL) available to all by choice
- Support for Scottish Government policies
 - Removal of Spare Room Subsidy
 - Spilt payments (default or choice)
- Payments to main carer by default
- Enhancements to SMI (AET/qualifying period/mixed age couples)

Annex 6

UC Schedule 2020 to 2023: Forecast



Annex 7

Ongoing theme elaboration and delivery in support of scaling

These are ongoing activities, or multi-phase activities that will be iterated across phases to support the continued expansion of UCFS and the accompanying need to optimise the experience for claimants and agents

Performance

- Performance testing six months ahead of demand
- Continued build pipeline maintenance
- Separation of microservices
- Enhancing & expansion of staging and test environments
- Release process enhancements to achieve release on demand capability

Operational Efficiency

- Enhancements to decision making
- MGP1 automation
- Self-serve appointment booking plus ability to change appointments booked
- Moving trust autocalc to 90%
- Private Rented Sector Alternative Payment Arrangements automation (Northern Ireland ask)
- Automated notifications
- Automated claim closure

Product Support

- Support and provide fixes for major incidents
- Resolution and long-term delivery for individual incidents
- Problem fixes
- Development work to continue to enable moving most common incident types to 2nd line

Policy Maintenance

- Uprating
- National Minimum Wage changes
- Landlord portal continued deployment and iteration
- Delivery Unit and postcode changes

Security

- Continuation of Role Based Access Controls to non-standard roles
- Patching and vulnerability management & fixes
- Data base encryption

Design

- Iteration to claim history and homepage
- Response to channel optimisation work
- Auto-allocate cases