12 IMPLEMENTING THE INFORMATION SYSTEMS

Additional Resources

Additional references, news snippets and mini articles to add to and update the material in chapter 12: Implementing the Information Systems.

The Universal Credit System: An IS Development in Trouble

Chapter 12 discusses Project Failures and in the news (2013/14) is another large UK government project that seems to be in a lot of difficulty.

In 2010 the Secretary of State for Work and Pensions, Ian Duncan Smith (IDS) announced the planned merging of a number of social security benefits into one, the Universal Credit. The idea of merging these benefits is, of itself, not necessarily controversial – previous administrations have looked at it but the consensus seems to have been that it was *too difficult* (a merged system should presumably ensure that no claimant was significantly worse off but there was also a desire to make sure that the new system was not more costly. These two factors, taken together, lead to a complex system – more like the old benefits bolted together than a streamlined new system).

The new Universal Credit, as proposed by IDS, was also to be administered in a new way. The intention is that claimants should apply online and that benefits should go direct to the recipient's bank account. The idea is that this should contribute to the claimants social and work skills. There is however a concern that many claimants would not have the IT skills to apply online, would not have a bank account and that monthly direct payments would cause many users problems with budgeting.

The Universal Credit needed a new IS to process claims and to make the payments. The estimated cost of the new scheme is reported as £2.4 billion. The new system seems not to have got off to a good start:

According to a parliamentary select committee report, issued on 6th November 2013:
- there has already been £420m spent, of which £140m has been written off
- The pilots of the new system have had to be severely scaled back to a few local offices and to carefully selected cases
- The functionality of the software is limited (and not user friendly).

In response to the report, Government ministers issued assurances that it would all come right in the end. The pilot schemes were scaled back but the planned budget and end date was retained. IT experts from the Cabinet Office, Government Digital Service (GDS) were moved in to help get the project back on track.

On 8th January 2013 reports emerged that the elite IT team from the GDS is being pulled out early after what sources describe as *serious tensions* over the way the project is headed. The project is deemed as *status red* (in big trouble). The Department of Work and Pensions is reported to be urgently looking for new IT specialists to progress the project – however a change of personnel will obviously disrupt progress (and is likely to be expensive) (Malik, 2014)

At the time of writing, the Minister (IDS) still maintains that the project will deliver on time and on budget. It is doubtful if anyone believes him, but, with the delivery date after the next election, this can be seen as more about politics (and IDS' position as a minister) than about reality and project management.

As observed in the chapter, it is not unusual for large projects to be in trouble but this one seems to have a particularly toxic mix of political and project management issues. A problem with this sort of project is that the detail evolves as the project progresses. The minister has announced the broad brush principles of the scheme and the project gets underway. The details of who is entitled to what and all the labyrinthine regulations and exceptions then only emerge as the project progresses – not the way to design and manage a large IS development.

Wintour, P. (2013) 'Government to miss universal credit deadline, Iain Duncan Smith announces'. *The Guardian*, 05dec13, http://www.theguardian.com/politics/2013/dec/05/universal-credit-deadline-iain-duncan-smith

Malik, S. (2014) 'Flagship benefit scheme faces more delays after rift', *The Guardian*, 08jan14, p1 http://www.theguardian.com/society/2014/jan/07/benefits-scheme-universal-credit-delays