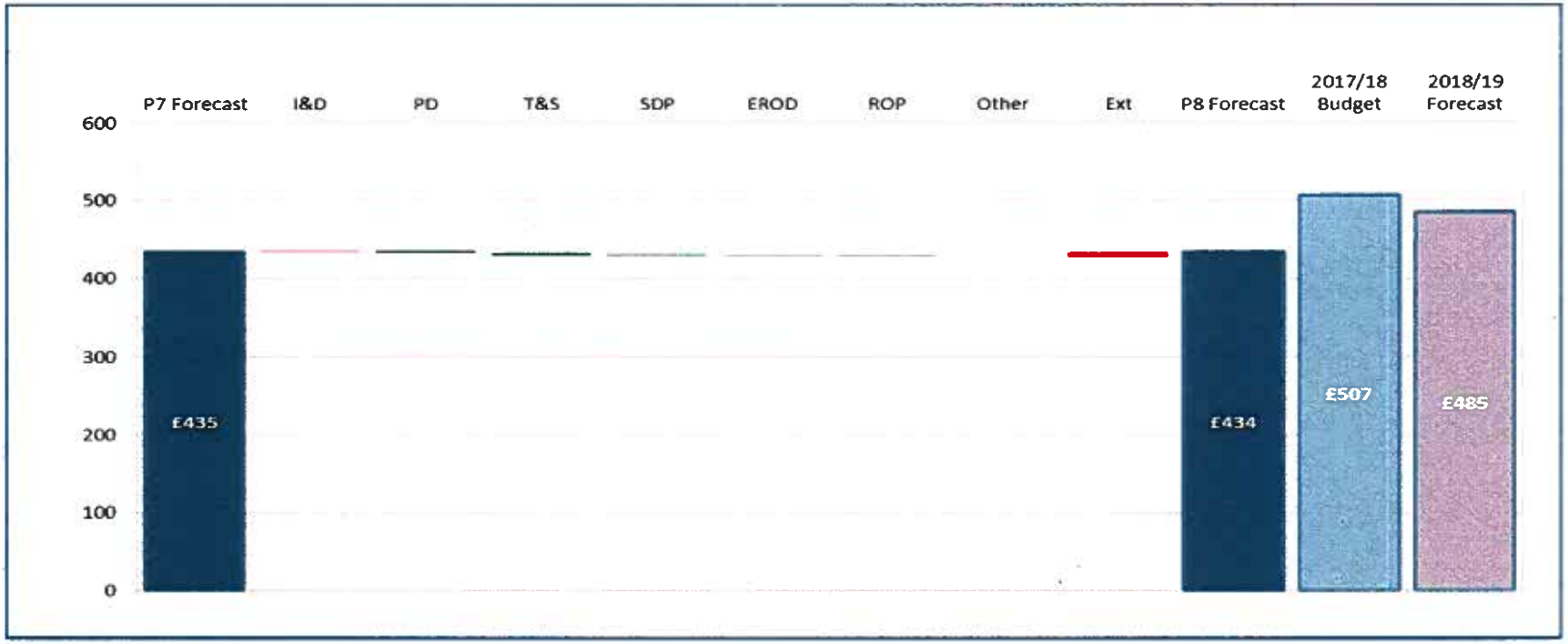
Finance Report
Programme Board November 2017
Period 8

UCPB141217 – BTL03

Summary



Key Points

2017/18

- **The Programme's forecast has reduced by £0.7m. Savings within 1) operational expenditure on Universal Credit (due to updated recruitment plans and attrition rates) in job centres and service centres, and 2) IT investment/recurrent costs, have more than offset the lower savings on legacy benefits (reduced savings are due to lower volume forecasts and updated cost modelling)**
- **The Programme is holding net opportunities with a most likely value of £7m**

2018/19

- **The forecast shows minimal movement compared to last month. A further update of the forecast, incorporating final volume projections and cost model revisions, will be carried out to support production of the Full Business Case in Spring 2018**

Overall Forecast

2017/18 Period 8

	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
Implementation & Delivery							
Investment							
Live Service Programme Team	JH	2,136	2,127		1,830	1,799	
Digital Delivery Programme Team	JH	5,704	5,696		5,033	4,937	
Live Service Implementation Costs	JH	**5,199**	**5,308**	(109)	**2,970**	**2,970**	
IPCC Telephony	JH	800	800		0	0	
Live Service Expansion	JH	2,514	2,623	(109)	1,708	1,708	
OED Recharges	JH	1,844	1,844		1,262	1,262	
Performance Insight Team-Live Service	JH	41	41		0	0	
Digital Service Implementation & Delivery Team	JH	0	0		0	0	
Live Service net Operational Impact:	JH	**2,282**	**2,282**	(0)	**17,135**	**17,135**	
LS DMS Operations	JH	2,272	2,272	(0)	412	412	
Live Service Operational Costs	JH	10	10		35,407	35,407	
Live Service Operational Savings	JH	0	0		-18,683	-18,683	
Full Service (D/S) Implementation Costs	JH	**18,114**	**18,088**		**39,476**	**39,476**	
Performance Insight Team-Digital	JH	745	719		245	245	
F/S OED Recharges	JH	9,852	9,852	(0)	6,176	6,176	
F/S Digital Delivery BTG & ITPD	JH	639	639		0	0	
F/S DS Expansion Support (Canterbury etc.)	JH	5	5		0	0	
Digital Service L&D	JH	6,872	6,872		33,054	33,054	
Service Innovation Lead	JH	3,000	3,000		3,000	3,000	
Estates	JH	1,087	1,087		2,000	2,000	
EstateTraining	JH	213	213	(0)	0	0	
F/S Digital Jobcentres depreciation of WADs	JH	454	454		0	0	
Youth Obligation	JH	0	0		38,624	38,624	
RTI Team	JH	551	901	(350)	359	359	
Counter Fraud and Compliance Team	JH	323	258		791	791	
Total - Janice Hartley		**39,083**	**39,414**	(352)	**111,217**	**111,090**	
UC Product Development							
Core Programme Team	AB	**11,123**	**9,912**		**12,129**	**12,374**	(246)
Core Programme team	AB	11,132	9,920		12,129	12,374	(246)
Recurrent Core Team Costs	AB	-9	-9		0	0	
Capitalised staff costs	AB	**18,574**	**18,306**		**19,818**	**19,829**	(10)
Digital Solution - IT Build		**8,521**	**8,533**	(11)	**10,485**	**10,490**	(5)
Digital Solution - IT Recurrent	AB	4,187	4,188	(1)	6,723	6,723	(0)
Digital Service Centre - IT Investment	AB	816	799		0	0	
Digital Service Centre - IT Recurrent	AB	0	0		3,000	3,000	
Northern Ireland Recharge		-985	-1,766		0	0	
Total - Anthony Brigginshaw		**42,235.91**	**39,971**		**52,155**	**52,415**	(261)
UC Working Age Product Development							
Live Service - IT Investment	JH	11,892	10,376		2,006	2,006	
Live Service - IT Recurrent	JH	23,741	23,427		15,215	15,290	(75)
Live Service - ITPD Staff Charges	JH	2,023	2,054	(31)	1,665	1,665	
Live Service - ITPD Contractor Charges	JH	1,045	1,040		0	0	
LS to FS transfers robotics		113	113		0	0	
Security - IT	AB	**0**	**0**		**0**	**0**	
Security Staff / Non Staff Recurrent	AB	308	403	(95)	2,723	2,723	
Security - Staff / Non Staff Investment	AB	108	108		783	783	
Housing Verification Build	JH	584	300		1,000	1,000	
Dataworks Platforms		**6,295**	**5,343**		**8,851**	**8,851**	
DataWorks Platforms Staff Recharge		969	670		0	0	
DataWorks Platforms Staff Contractors		1,234	1,302	(67)	0	0	
Security IT Investment		4,081	3,353		11	11	
Security IT Recurrent		10	18	(8)	8,840	8,840	
Prove Your Identity		**1,718**	**1,536**		**0**	**0**	
PYID Staff Recharge		608	462		0	0	
PYID Staff Contractors		880	869		0	0	
PYID IT Costs		230	205		0	0	
Operations Control Centre		63	62		0	0	
Verify		99	90		0	0	
Data Outcomes		**1,312**	**1,261**		**0**	**0**	
Data Outcomes Staff Recharge		501	509	(8)	0	0	
Data Outcomes Staff Contractors		795	737		0	0	
Data Outcomes IT Costs		15	15		0	0	
Prove You Can Apply	CE	**437**	**437**		**0**	**0**	
PYCA Staff Recharge	CE	267	267	(0)	0	0	
PYCA Staff		169	169		0	0	
Non Cash - Depreciation	IW	38,603	38,594		33,751	33,751	
Total - Craig Ebiett		**88,339.80**	**85,142**		**85,995**	**86,070**	(75)

Total Programme Spend £1,950m

2014/15 Outturn £255m

2015/16 Outturn £362m

2016/17 Outturn £403m

2017-18 Range
Risks £1.6m
Opps (£8.5m)

Overall Forecast

2017/18 Period 8

Strategic Design & Planning							
Core Programme Teams	WM	**8,922**	**8,779**	143	**8,171**	**8,026**	145
Strategic Design & Planning Director	WM	1	1	0	0	0	0
Strategic Design	WM	2,016	1,951	65	1,995	1,921	74
LM Test & Learn	WM	690	667	24	210	195	15
Programme Planning & Assurance	WM	2,590	2,534	57	2,241	2,187	54
Test & Learn	WM	714	716	(2)	787	787	0
Operational Services Core	WM	1,591	1,591	(0)	1,368	1,365	3
Operational Services Commissions	WM	1,321	1,321	0	1,570	1,570	0
Telephony Routing	WM	620	620	0	110	110	0
CMG IT Futures (CMEC)	WM	411	371	39	0	371	(371)
Legal Costs	WM	**409**	**409**	**0**	**294**	**294**	**0**
Internal Legal Costs	WM	409	409	(0)	294	294	0
Housing Delivery Division	WM	267	267	0	246	246	0
LADS	WM	414	414	0	0	0	0
Pension Credit Plus (PDCS)	WM	51	51	0	3,000	3,000	0
Payment Deduction Programme Recharges	WM	42	42	0	45	45	0
Pilots & Trials	WM	**2,412**	**2,412**	**(0)**	**2,550**	**2,550**	**0**
Demo Pilots	WM	-153	-153	0	0	0	0
Labour Market Trials	WM	2,295	2,295	(0)	1,300	1,300	0
UC Evaluation	WM	270	270	0	1,250	1,250	0
Strategy		**6,415**	**6,434**	**(19)**	**5,841**	**5,745**	96
Strat - Analytical Services Directorate	WM	1,067	1,067	0	85	85	0
Strat - UC Policy	WM	1,846	1,868	(22)	2,065	2,065	0
Strat - Labour Market	WM	482	481	1	487	446	41
Strat - UC Analysis	WM	2,846	2,845	1	3,018	2,963	55
Strat - Pensions	WM	174	173	1	186	185	1
Digital Service net Operational Impact:	WM	**5,217**	**5,056**	162	**176,843**	**176,843**	**0**
FS DMS Operations	WM	3,081	3,081	(0)	5,712	5,712	0
PCP Operating costs	WM	0	0	0	286	286	0
Digital Service Operational Costs	WM	2,137	1,975	162	659,398	659,398	0
Digital Service Operational Savings	WM	0	0	0	-514,913	-514,913	0
Migration	WM	0	0	0	26,361	26,361	0
NISSA Premium	WM	0	0	0	5,134	5,134	0
Supply Contingency costs	WM	**0**	**0**	**0**	**7,328**	**7,328**	**0**
Supply Contingency SC Staff	WM	0	0	0	2,710	2,710	0
Supply Contingency SC NStaff	WM	0	0	0	114	114	0
Supply Contingency WS Staff	WM	0	0	0	4,278	4,278	0
Supply Contingency WS NStaff	WM	0	0	0	226	226	0
Total - Will Moss		**25,180.75**	**24,856**	325	**209,562**	**209,691**	(129)
External Relations & Orientation							
Stakeholders & Partner Team	CH	3,799	3,738	61	3,597	3,639	(42)
Marketing	CH	2,077	2,077	(0)	2,541	2,541	0
Communications	CH	963	963	(0)	623	623	0
Money Advice Service Leaflets	CH	10	0	10	10	10	0
LCTR Automation/MAS	CH	569	569	0	0	0	0
Passported Benefits	CH	300	215	85	0	257	(257)
Total LA Spend & Exits	CH	**27,268**	**27,268**	**0**	**17,632**	**17,632**	**0**
Exits	CH	0	0	0	10,000	10,000	0
Universal Support - Investment		20,221	20,221	0	41,385	41,385	0
Local Authorities - Savings	CH	0	0	0	-40,262	-40,262	0
UC HB Stop Notice Automation	CH	829	829	0	0	0	0
LA Migration	CH	6,218	6,218	0	6,509	6,509	0
Total - Cath Hamp		**34,986.43**	**34,831**	155	**24,402**	**24,701**	(299)

Total Programme Spend £1,950m

2014/15 Outturn £255m

2015/16 Outturn £362m

2016/17 Outturn £403m

2017-18 Range
Risks £1.6m
Opps £8.5m

Overall Forecast

2017/18 Period 8

Rest of Programme						
Core Programme Teams	lw	**878**	**878**	(0)	**959**	**959**
Programme Management	lw	872	871	1	959	959
Other Core Programme	lw	6	7	(1)	0	0
Caxton Accommodation Move	lw	45	-41	86	0	0
External consultancy support costs	lw	134	130	4	15	15
Recharges - F&C:	lw	**4,797**	**4,788**	9	**5,684**	**5,423**
UC Finance	lw	1,259	1,266	(7)	1,338	1,338
UC Finance (Operations)	lw	796	763	33	856	689
Finance & Commercial recharges	lw	2,742	2,758	(16)	3,490	3,397
Projects & Recharges:	lw	**774**	**774**	(0)	**465**	**465**
Contracted Operations Recharges	lw	228	228	(0)	67	67
HR Recharges	lw	406	406	0	174	174
Message Hub	lw	140	140	0	153	153
Welsh Language Unit	lw	0	0	0	70	70
North Kensington		15	15	0	0	0
HMRC	lw	0	0	(0)	48,339	48,339
Total - Ian Wright		**6,643**	**6,545**	99	**55,462**	**55,201**
Central Overlay	lw	**0**	**0**	0	**0**	**0**
Total Financial Costs	lw	**0**	**0**	0	**299**	**299**
Total UC - Excluding Budget Transfers		**236,449**	**230,759**	5,690	**519,091**	**519,468**
Rest of Programme - ext Budget Holder						
Welsh Language Unit		70	70	0	0	0
Finance recharges		403	403	0	0	0
Consequential Costs Service Centres		179,505	176,705	2,800	0	0
Consequential savings Service Centres		-66,390	-40,923	(25,466)	0	0
Consequential Costs Work Services		217,023	214,123	2,900	0	0
Consequential savings Work Services		-170,924	-185,888	14,964	0	0
Digital Service Support		5,319	5,319	0	0	0
Digital Service Migration		16,745	16,745	0	0	0
Net Operational Impact		**474**	**474**	0	**0**	**0**
HMRC		**9,789**	**10,010**	(221)	**-35,077**	**-35,077**
HMRC costs		21,010	21,010	(0)	0	0
HMRC Savings		-11,221	-11,000	(221)	-35,077	-35,077
Live Service SPAG Labour Market		763	763	0	763	763
Technology		**0**	**0**	0	**0**	**0**
P3 TR1 - LA Savings, App Levy, UC Switch & CamLite		-7,757	-7,757	0	0	0
Digital Jobcentres		908	908	0	0	0
DM licenses		1,505	1,505	0	0	0
Learning & Development (SC & WSC)		11,180	11,180	0	0	0
Total External Budget Holders		**198,140**	**203,163**	(5,023)	**-34,314**	**-34,314**
UC TOTAL		**434,589**	**433,923**	667	**484,778**	**485,154**

Total Programme Spend £1,950m

2014/15 Outturn £255m

2015/16 Outturn £362m

2016/17 Outturn £403m

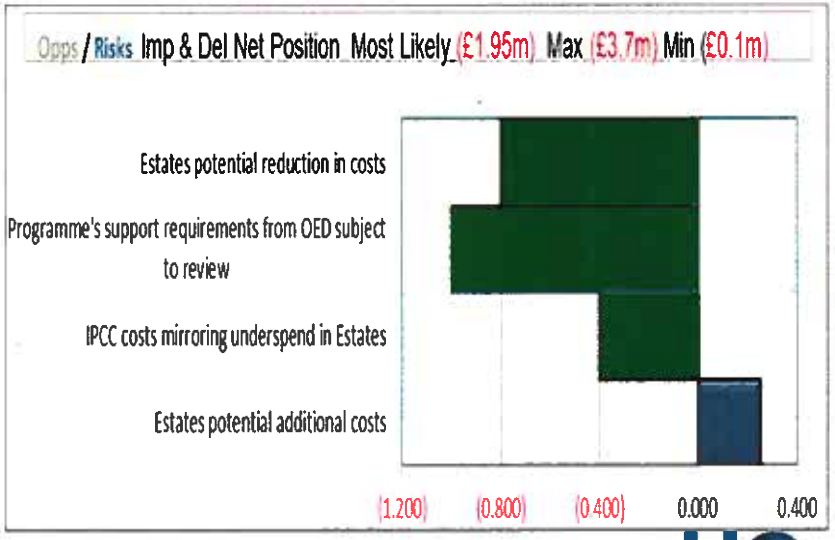
2017-18 Range
Risks £1.6m
Opps £8.5m

	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
Implementation & Delivery							
Investment							
Live Service Programme Team	JH	2,136	2,127	9	1,830	1,799	31
Digital Delivery Programme Team	JH	5,704	5,696	8	5,033	4,937	96
Live Service Implementation Costs	JH	**5,199**	**5,308**	**(109)**	**2,970**	**2,970**	**0**
IPCC Telephony	JH	800	800	0	0	0	0
Live Service Expansion	JH	2,514	2,623	(109)	1,708	1,708	0
OED Recharges	JH	1,844	1,844	0	1,262	1,262	0
Performance Insight Team-Live Service	JH	41	41	0	0	0	0
Digital Service Implementation & Delivery Team	JH	0	0	0	0	0	0
Live Service net Operational Impact:	JH	**2,282**	**2,282**	**(0)**	**17,135**	**17,135**	**0**
LS DMS Operations	JH	2,272	2,272	(0)	412	412	0
Live Service Operational Costs	JH	10	10	0	35,407	35,407	0
Live Service Operational Savings	JH	0	0	0	-18,683	-18,683	0
Full Service (D/S) Implementation Costs	JH	**18,114**	**18,088**	**26**	**39,476**	**39,476**	**0**
Performance Insight Team-Digital	JH	745	719	26	245	245	0
F/S OED Recharges	JH	9,852	9,852	(0)	6,176	6,176	0
F/S Digital Delivery BTG & ITPD	JH	639	639	0	0	0	0
F/S DS Expansion Support (Canterbury etc.)	JH	5	5	0	0	0	0
Digital Service L&D	JH	6,872	6,872	0	33,054	33,054	0
Service Innovation Lead	JH	3,000	3,000	0	3,000	3,000	0
Estates	JH	1,087	1,087	0	2,000	2,000	0
EstateTraining	JH	213	213	(0)	0	0	0
F/S Digital Jobcentres depreciation of WADs	JH	454	454	0	0	0	0
Youth Obligation	JH	0	0	0	38,624	38,624	0
RTI Team	JH	551	901	(350)	359	359	0
Counter Fraud and Compliance Team	JH	323	258	65	791	791	0
Total - Janice Hartley		**39,063**	**39,414**	**(352)**	**111,217**	**111,090**	**127**

Headlines

2017/18

- Provision for additional RTI team expenditure has been included in the forecast – work is continuing with HMRC to validate this requirement

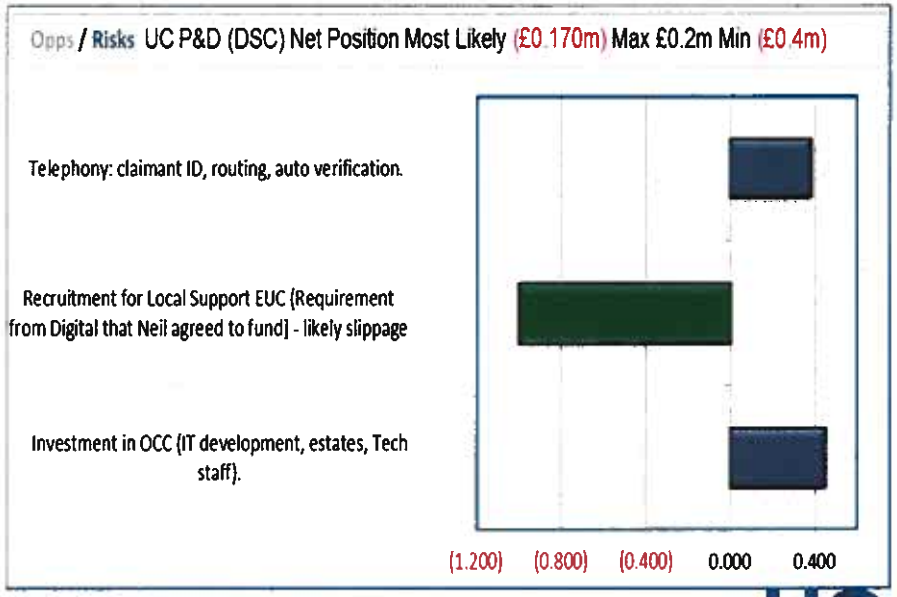


	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
UC Product Development							
Core Programme Team	AB	**11,123**	**9,912**	1,211	**12,129**	**12,374**	(246)
Core Programme team	AB	11,132	9,920	1,211	12,129	12,374	(246)
Recurrent Core Team Costs	AB	-9	-9	0	0	0	0
Capitalised staff costs	AB	18,574	18,306	268	19,818	19,829	(10)
Digital Solution - IT Build		8,521	8,533	(11)	10,485	10,490	(5)
Digital Solution - IT Recurrent	AB	4,187	4,188	(1)	6,723	6,723	(0)
Digital Service Centre - IT Investment	AB	816	799	17	0	0	0
Digital Service Centre - IT Recurrent	AB	0	0	0	3,000	3,000	0
Northern Ireland Recharge		-985	-1,766	781	0	0	0
Total - Anthony Brigginshaw		**42,235.91**	**39,971**	2,265	**52,155**	**52,415**	(261)

Headlines

2017/18

- Core programme team/capitalised staff costs saving is due to a £1.5m reduction in recharges from DWP Digital for additional local support staff – Digital recruitment plans have been rephased
- Additional cost recoveries of £0.8m (Northern Ireland £0.3m; Scotland £0.5m) have been agreed this month for bespoke features within the Full Service



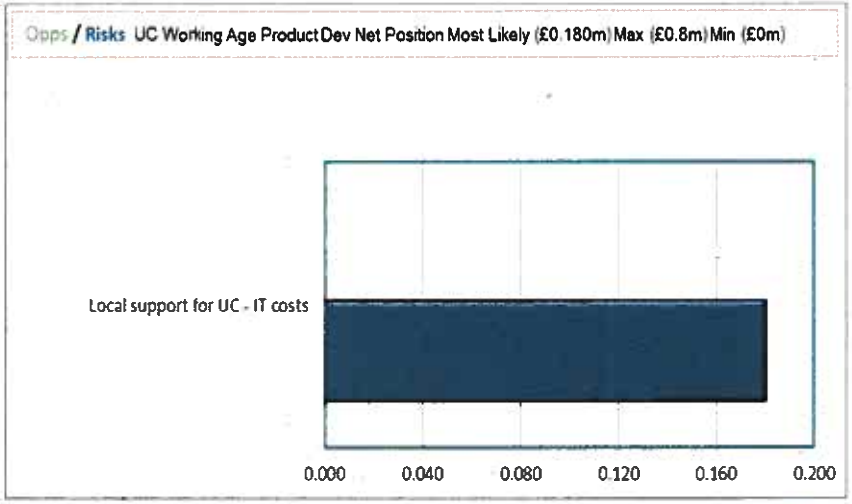
UC Working Age Product Development 2017/18 Period 8

	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
UC Working Age Product Development							
Live Service - IT Investment	JH	11,892	10,376		2,006	2,006	
Live Service - IT Recurrent	JH	23,741	23,427		15,215	15,290	(75)
Live Service - ITPD Staff Charges	JH	2,023	2,054	(31)	1,665	1,665	
Live Service - ITPD Contractor Charges	JH	1,045	1,040		0	0	
LS to FS transfers robotics		113	113		0	0	
Security - IT	AB	**0**	**0**		**0**	**0**	
Security Staff / Non Staff Recurrent	AB	308	403	(95)	2,723	2,723	
Security - Staff / Non Staff Investment	AB	108	108		783	783	
Housing Verification Build	JH	584	300		1,000	1,000	
Dataworks Platforms		**6,295**	**5,343**		**8,851**	**8,851**	
DataWorks Platforms Staff Recharge		969	670		0	0	
DataWorks Platforms Staff Contractors		1,234	1,302	(67)	0	0	
Security IT Investment		4,081	3,353		11	11	
Security IT Recurrent		10	18	(8)	8,840	8,840	
Prove Your Identity		**1,718**	**1,536**		**0**	**0**	
PYID Staff Recharge		608	462		0	0	
PYID Staff Contractors		880	869		0	0	
PYID IT Costs		230	205		0	0	
Operations Control Centre		63	62		0	0	
Verify		99	90		0	0	
Data Outcomes		**1,312**	**1,261**		**0**	**0**	
Data Outcomes Staff Recharge		501	509	(9)	0	0	
Data Outcomes Staff Contractors		795	737		0	0	
Data Outcomes IT Costs		15	15		0	0	
Prove You Can Apply	CE	**437**	**437**		**0**	**0**	
PYCA Staff Recharge	CE	267	267	(0)	0	0	
PYCA Staff		169	169		0	0	
Non Cash - Depreciation	IW	38,603	38,594		33,751	33,751	
Total - Craig Eblett		**88,339.80**	**85,142**		**65,995**	**66,070**	(75)

Headlines

2017/18 – main components of savings

- £0.8m RTI disputes database no longer required – alternative solution has been developed
- £1.0m Release 12.3 supplier savings; housing verification build and Budget consequences
- £0.7m Dataworks reduction due to phasing of augmented resources and savings from transition to Amazon Weeb Services
- £0.5m reduced recharges from Digital Group as a result of their updated workforce plan



Full Year Outturn and Next Year Forecast Strategic Design & Planning 2017/18 Period 8

	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
Strategic Design & Planning							
Core Programme Teams	WM	8,922	8,779	143	8,171	8,026	145
Strategic Design & Planning Director	WM	1	1	0	0	0	0
Strategic Design	WM	2,016	1,951	65	1,995	1,921	74
LM Test & Learn	WM	690	667	23	210	195	15
Programme Planning & Assurance	WM	2,590	2,534	56	2,241	2,187	54
Test & Learn	WM	714	716	(2)	787	787	0
Operational Services Core	WM	1,591	1,591	(0)	1,368	1,365	3
Operational Services Commissions	WM	1,321	1,321	0	1,570	1,570	0
Telephony Routing	WM	620	620	0	110	110	0
CMG IT Futures (CMEC)	WM	411	371	40	0	371	(371)
Legal Costs	WM	409	409	0	294	294	0
Internal Legal Costs	WM	409	409	(0)	294	294	0
Housing Delivery Division	WM	267	267	0	246	246	0
LADS	WM	414	414	0	0	0	0
Pension Credit Plus (PDCS)	WM	51	51	0	3,000	3,000	0
Payment Deduction Programme Recharges	WM	42	42	0	45	45	0
Pilots & Trials	WM	2,412	2,412	(0)	2,550	2,550	0
Demo Pilots	WM	-153	-153	0	0	0	0
Labour Market Trials	WM	2,295	2,295	(0)	1,300	1,300	0
UC Evaluation	WM	270	270	0	1,250	1,250	0
Strategy		6,415	6,434	(19)	5,841	5,745	96
Strat - Analytical Services Directorate	WM	1,067	1,067	0	85	85	0
Strat - UC Policy	WM	1,846	1,868	(22)	2,065	2,065	0
Strat - Labour Market	WM	482	481	1	487	446	41
Strat - UC Analysis	WM	2,846	2,845	1	3,018	2,963	55
Strat - Pensions	WM	174	173	2	186	185	1
Digital Service net Operational Impact:	WM	5,217	5,056	162	176,843	176,843	0
FS DMS Operations	WM	3,081	3,081	(0)	5,712	5,712	0
PCP Operating costs	WM	0	0	0	286	286	0
Digital Service Operational Costs	WM	2,137	1,975	162	659,398	659,398	0
Digital Service Operational Savings	WM	0	0	0	-514,913	-514,913	0
Migration	WM	0	0	0	26,361	26,361	0
NISSA Premium	WM	0	0	0	5,134	5,134	0
Supply Contingency costs	WM	0	0	0	7,328	7,328	0
Supply Contingency SC Staff	WM	0	0	0	2,710	2,710	0
Supply Contingency SC NStaff	WM	0	0	0	114	114	0
Supply Contingency WS Staff	WM	0	0	0	4,278	4,278	0
Supply Contingency WS NStaff	WM	0	0	0	226	226	0
Total - Will Moss		25,180.75	24,856	324	209,562	209,691	(129)

Headlines

2017/18

- Digital service operational costs have reduced by £0.2m due to savings on HMRC estates costs; core programme team reductions reflect latest workforce plans.

2018/19

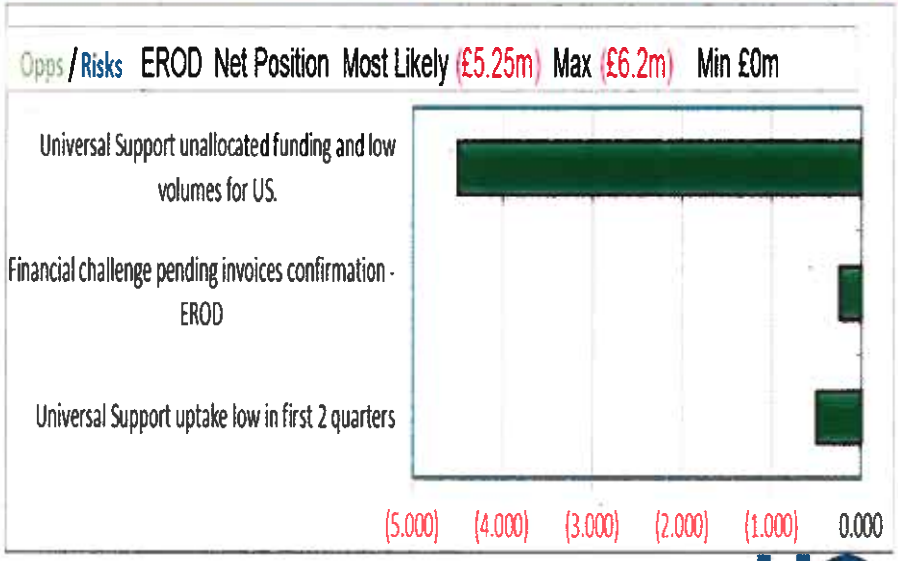
- Additional costs to support ongoing clerical activity in CMEC have been offset by savings in core programme team cost and strategy recharges

Full Year Outturn and Next Year Forecast External Relations & Orientation 2017/18 Period 8

	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
External Relations & Orientation							
Stakeholders & Partner Team	CH	3,799	3,738	61	3,597	3,639	(42)
Marketing	CH	2,077	2,077	(0)	2,541	2,541	0
Communications	CH	963	963	(0)	623	623	0
Money Advice Service Leaflets	CH	10	0	10	10	10	0
LCTR Automation/MAS	CH	569	569	0	0	0	0
Passported Benefits	CH	300	215	85	0	257	(257)
Total LA Spend & Exits	CH	**27,268**	**27,268**	0	**17,632**	**17,632**	0
Exits	CH	0	0	0	10,000	10,000	0
Universal Support - investment		20,221	20,221	0	41,385	41,385	0
Local Authorities - Savings	CH	0	0	0	-40,262	-40,262	0
UC HB Stop Notice Automation	CH	829	829	0	0	0	0
LA Migration	CH	6,218	6,218	0	6,509	6,509	0
Total - Cath Hamp		**34,986.43**	**34,831**	156	**24,402**	**24,701**	(299)

Headlines

Forecasts have been updated for the latest phasing and cost estimates of MoJ passported benefits activity

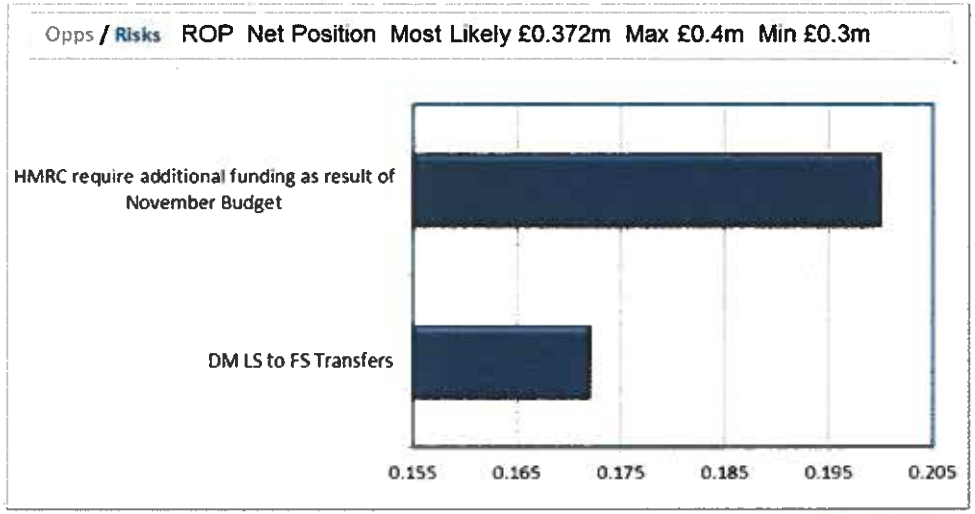


	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
Rest of Programme							
Core Programme Teams	IW	**878**	**878**	(0)	**959**	**959**	0
Programme Management	IW	872	871	1	959	959	0
Other Core Programme	IW	6	7	(1)	0	0	0
Caxton Accommodation Move	IW	45	-41	86	0	0	0
External consultancy support costs	IW	134	130	4	15	15	0
Recharges - F&C:	IW	**4,797**	**4,788**	9	**5,684**	**5,423**	260
UC Finance	IW	1,259	1,266	(7)	1,338	1,338	0
UC Finance (Operations)	IW	796	763	33	856	689	167
Finance & Commercial recharges	IW	2,742	2,758	(16)	3,490	3,397	93
Projects & Recharges:	IW	**774**	**774**	(0)	**465**	**465**	0
Contracted Operations Recharges	IW	228	228	(0)	67	67	0
HR Recharges	IW	406	406	0	174	174	0
Message Hub	IW	140	140	0	153	153	0
Welsh Language Unit	IW	0	0	0	70	70	0
North Kensington		15	15	0	0	0	0
HMRC	IW	0	0	(0)	48,339	48,339	0
Total - Ian Wright		**6,643**	**6,545**	99	**55,462**	**55,201**	260

Headlines

Caxton accommodation reduction in 2017/18 is due to final invoices being lower than the year end accrual.

Forecasts have been updated for latest recharge assumptions



Full Year Outturn and Next Year Forecast Rest of Prog – External Budget Holder 2017/18 Period 8

	Budget Holder	2017/18 Period 7 Forecast £k	2017/18 Period 8 Forecast £k	2017/18 Variance £k	2018/19 Period 7 Forecast £k	2018/19 Period 8 Forecast £k	2018/19 Variance £k
Rest of Programme - ext Budget Holder							
Welsh Language Unit		70	70	0	0	0	0
Finance recharges		403	403	0	0	0	0
Consequential Costs Service Centres		179,505	176,705	2,800	0	0	0
Consequential savings Service Centres		-66,390	-40,923	(25,466)	0	0	0
Consequential Costs Work Services		217,023	214,123	2,900	0	0	0
Consequential savings Work Services		-170,924	-185,888	14,964	0	0	0
Digital Service Support		5,319	5,319	0	0	0	0
Digital Service Migration		16,745	16,745	0	0	0	0
Net Operational Impact		**474**	**474**	**0**	**0**	**0**	**0**
HMRC		**9,789**	**10,010**	(221)	**-35,077**	**-35,077**	**0**
HMRC costs		21,010	21,010	(0)	0	0	0
HMRC Savings		-11,221	-11,000	(221)	-35,077	-35,077	0
Live Service SPAG Labour Market		763	763	0	763	763	0
Technology		**0**	**0**	**0**	**0**	**0**	**0**
P3 TR1 - LA Savings, App Levy, UC Switch & CamLite		-7,757	-7,757	0	0	0	0
Digital Jobcentres		908	908	0	0	0	0
DM licenses		1,505	1,505	0	0	0	0
Learning & Development (SC & WSC)		11,180	11,180	0	0	0	0
Total External Budget Holders		**198,140**	**203,163**	(5,023)	**-34,314**	**-34,314**	**0**
UC TOTAL		**434,589**	**433,923**	667	**484,778**	**485,154**	(376.23)

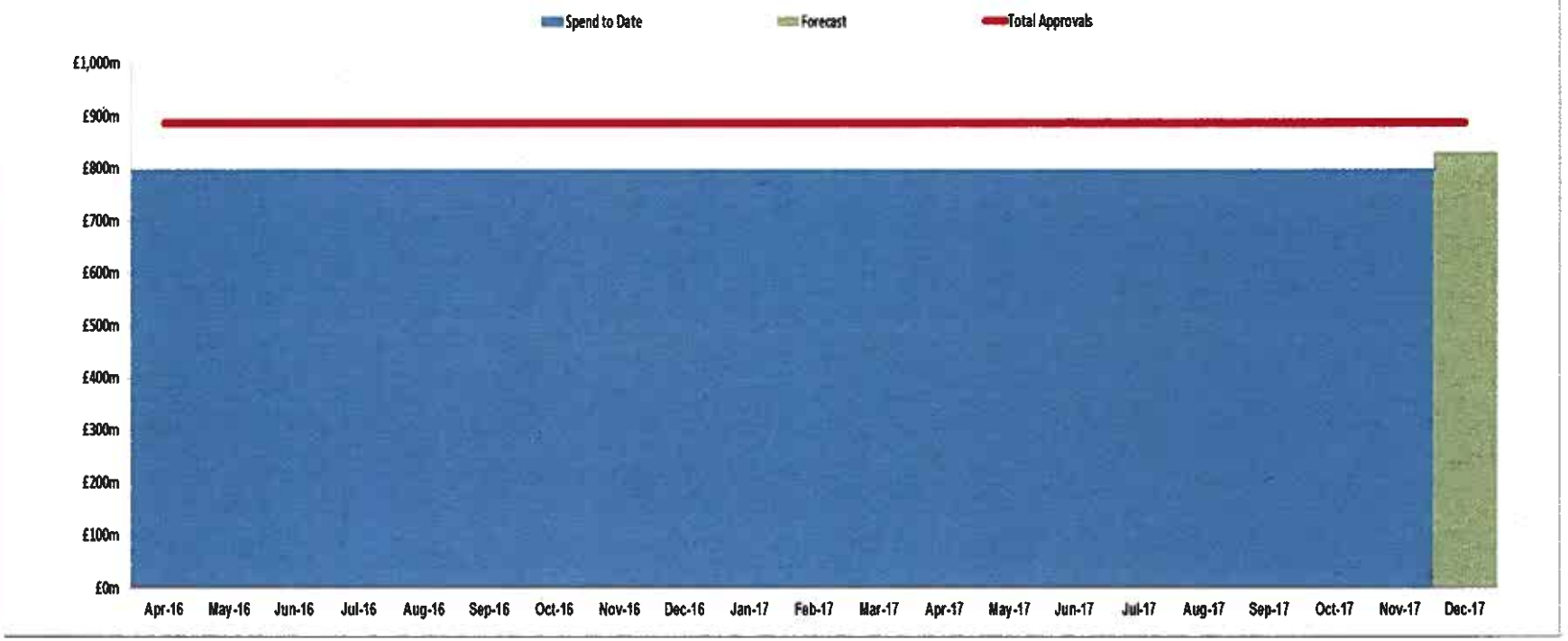
Headlines

2017/18

- Consequential costs - the reduction in the period is the result of job centres and service centres revising their recruitment plans and attrition rates
- Consequential savings – the reduction in the savings of delivering legacy benefits has been recalculated to reflect lower workload volumes and updated assumptions in the cost model
- HMRC savings – a correction of an inflation uplift error.

Financial Approvals and Funding

2017/18 Period 8



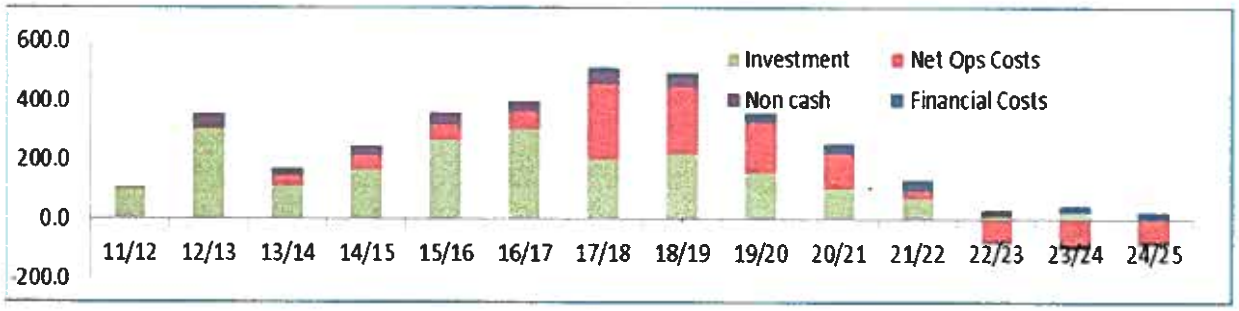
Funding Forward Look

	2016/17 £m	2017/18 £m	2018/19 £m	2019/20
Forecast Requirement	403	434	485	398
Funding				
SR15 net of HMRC savings	401	447	365	233

- HMT approval of £887.8m has been given to cover the period from January 2016 to December 2017.
- Approval for a further £98m has been submiited to HMT to cover the period to the end of April 2018.
- The Department has secured separate funding for the impacts of the Employee Deal as part of the SR settlement – this funding is currently held centrally within the Department

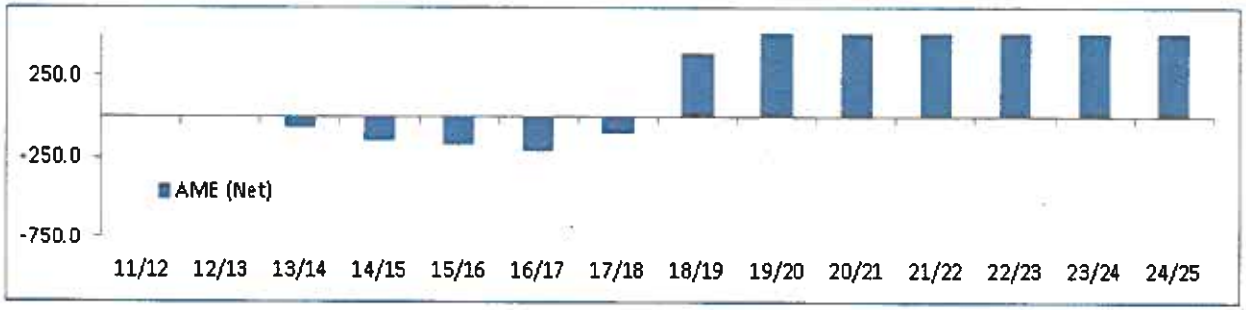
Total Programme View — Costs and Benefits over life of Business Case — 2017/18 Period 8

DEL Costs

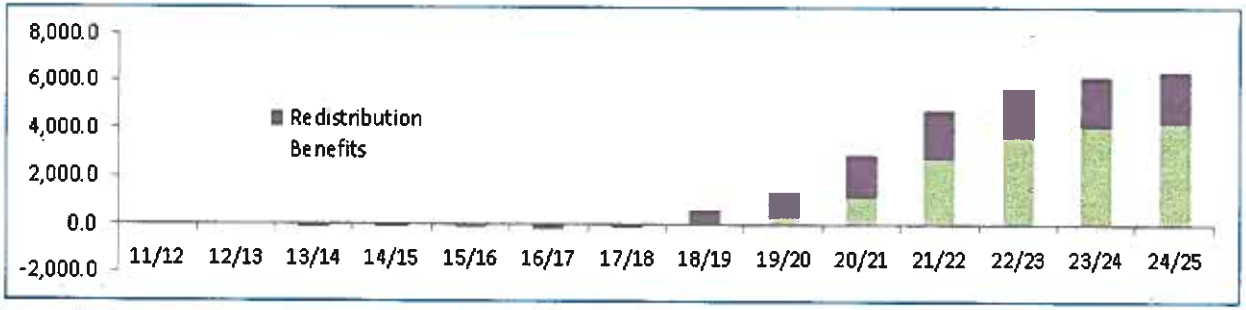


Lifetime Investment Costs	
	Baseline (OBC Final)
IT	490,628
Estates	17,770
Business Change	174,704
Implementation Effort	550,129
Digital Jobcentres	11,119
Claimant Commitment	20,811
HMRC	130,928
Migration Effort	250,715
Inflation	43,597
	1,690,403

AME Costs



Economic Benefits



Overall Benefits	
Net Benefits	£27.2bn
NPV	£20.3bn

The Business Case numbers are based on the Outline Business Case that was approved 4th December 2015.