

Finance Report
Programme Board March 2019
Period 12
(Part 1 of 2)

UCPB160419 – BTL01



Key Points

2018/19

- The final year's out turn (period 12) was unchanged at £445m
- This represented a £5m overspend vs budget

2019/20

- The total forecast has decreased by £7.4m.
- Next month we will have agreed our 19/20 budget allocations ready for in year spend monitoring and reporting
- Discussions have commenced with HMT on an updated drawdown

	Budget Holder	2018/19			2018/19	2019/20		
		Period 11 Forecast	Period 12 Forecast	Variance	Budget	Period 11 Forecast	Period 12 Forecast	Variance
		£k	£k	£k	£k	£k	£k	£k
Implementation & Delivery								
Core Programme Team								
	JH	5,393	5,377	16	6,013	5,851	5,654	197
Live Service Programme Team	JH	554	549	5	732	96	40	56
Digital Delivery Programme Team	JH	4,839	4,828	11	5,281	5,755	5,614	141
Live Service Implementation Costs								
	JH	1,394	1,344	50	1,541	341	71	270
IPCC Telephony	JH	121	68	52	278	0	0	0
Live Service Support	JH	12	14	(2)	1	0	0	0
OED Recharges	JH	1,262	1,262	0	1,262	341	71	270
Live Service net Operational Impact:								
	JH	0	0	0	2,129	1	0	1
Live Service Operational Costs	JH	0	0	0	4,283	1	0	1
Live Service Operational Savings	JH	0	0	0	-2,155	0	0	0
Digital Service Implementation Costs								
	JH	7,437	7,437	(0)	7,438	10,294	2,849	7,445
F/S OED Recharges	JH	7,437	7,437	(0)	7,438	2,670	2,849	(179)
Digital Service L&D	JH	0	0	0	0	7,624	0	7,624
OPPD	JH	246	246	(0)	278	258	275	(17)
Continuous Improvement	JH	0	0	(0)	0	500	250	250
Automated Letters	JH	82	60	22	120	0	0	0
Youth Obligation	JH	0	0	0	0	40,689	0	40,689
RTI Batch Transfers	JH	0	0	0	200	0	0	0
Counter Fraud and Compliance Team	JH	790	790	(0)	790	813	813	0
Total - Janice Hartley		15,342	15,254	88	18,509	58,746	9,912	48,834
UC Product Development / Digital Delivery								
Core Programme Teams								
	PF	39,197	39,178	19	41,310	57,858	55,422	2,435
Core Programme team	PF	11,522	12,146	(623)	10,200	15,634	15,735	(101)
Capitalised staff costs	PF	19,917	19,521	396	18,906	30,509	29,843	666
Digital Solution - IT Build	PF	1,102	1,111	(8)	4,551	4,197	2,797	1,400
Digital Solution - IT Recurrent	PF	4,793	4,637	156	5,103	6,770	6,299	470
Digital Service Centre - IT Investment	PF	345	321	24	573	0	0	0
Digital Service Centre - IT Recurrent	PF	1,518	1,443	75	1,978	748	748	0
UC Support Services								
	PF	5,056	5,606	(551)	7,072	0	0	0
Prove You Can Apply	PF	376	593	(218)	760	0	0	0
Prove Your Identity	PF	4	0	4	221	0	0	0
Prepare You For UC	PF	53	95	(42)	318	0	0	0
Private Rented Sector - APA	PF	484	856	(373)	770	0	0	0
UC Migration	PF	1,297	1,023	274	1,500	0	0	0
Burbank	PF	2,305	2,288	17	2,976	0	0	0
Severe Disability Premium	PF	106	271	(165)	0	0	0	0
Passported Benefits	PF	432	481	(49)	526	0	0	0
UC Others								
	PF	48,656	48,137	519	51,709	21,498	18,203	3,295
UCFS MI (Data Outcomes)	PF	6,444	5,642	802	4,600	8,257	2,761	5,496
Data Works Platform	PF	0	0	0	2,400	0	4,039	(4,039)
Household Verification	PF	220	377	(157)	1,000	692	644	48
UC Live Service - IT Recurrent	PF	2,569	2,571	(2)	3,469	2,997	1,273	1,724
Live Service - ITPD Staff Charges	PF	620	620	(0)	1,432	0	0	0
Live Service - ITPD Contractor Charges	PF	700	700	0	117	0	0	0
Live Service - IT Investment	PF	1,753	1,678	75	2,543	14	14	0
Verify	PF	-348	-348	0	500	0	0	0
Non Cash - Depreciation	PF	36,697	36,897	(199)	35,648	9,538	9,472	66
Security - IT								
		28	28	(0)	-121	0	0	0
Security Provision		3	3	0	251	0	0	0
Security IT Investment		20	20	(0)	-372	0	0	0
Security IT Recurrent		5	5	0	0	0	0	0
Total - Paul Francis		92,936	92,949	(13)	99,971	79,356	73,625	5,730

Total Programme Spend	£m
Pre 2014	645.52
2014/15	255.19
2015/16	362.31
2016/17	403.13
2017/18	448.63
2018/19	444.78
Total	2,559.57

2018-19 Range
Risks £0.0m
Opps £0.0m



Move to UC								
Core Programme Teams	LS	3,353	3,375	(22)	3,667	957	976	(18)
Move to UC		245	265	(21)	226	0	0	0
Move to UC Strategic Design	Strate	1,428	1,439	(11)	2,048	957	976	(18)
Move to UC Services	LS	1,169	1,237	(68)	1,393	0	0	0
Move to UC Delivery	LS	510	431	78	0	0	0	0
Move to UC Consultancy	LS	1	2	(1)	0	0	0	0
Telephony Routing	LS	101	101	0	110	0	0	0
Contributory benefits	LS	48	48	0	40	0	0	0
Housing Delivery Division	LS	216	216	0	205	212	165	47
LADS	LS	0	0	0	24	0	0	0
Pension Credit Plus (PDCS)	LS	14	5	9	0	3,500	500	3,000
Payment Deduction Programme Recharges	LS	0	0	0	45	0	0	0
Move to UC Analysis	LS	0	0	0	0	450	383	67
Strategy		765	765	0	773	186	158	28
Strat - Pensions	LS	174	174	0	182	186	158	28
Digital UX UR	LS	591	591	0	591	0	0	0
Digital Service net Operational Impact:	LS	6,208	6,148	60	6,410	8,746	7,322	1,424
DMS Operations	LS	6,148	6,148	0	6,124	7,322	7,322	0
PCP Operating costs	LS	60	0	60	286	1,424	0	1,424
Estates		48	47	1	350	0	0	0
Estates	LS	61	60	1	350	0	0	0
Estates Training	LS	-13	-13	0	0	0	0	0
Total - Lara Sampson		10,753	10,704	49	11,625	14,050	9,504	4,547
Universal Credit Engagement Division								
Core Programme Teams		7,389	7,375	14	7,367	7,372	8,061	(689)
LM Test & Learn	PC	761	764	(2)	864	810	1,018	(208)
Programme Planning & Assurance	PC	2,805	2,819	(13)	2,621	2,568	2,648	(80)
Stakeholders & Partner Team	PC	3,822	3,793	30	3,882	3,994	4,395	(401)
Marketing	PC	5,105	4,914	192	3,600	400	1,200	(800)
Communications	PC	520	520	(0)	521	521	572	(50)
Passported Benefits	PC	0	0	0	295	0	0	0
CAB Universal Support	PC	11,000	11,747	(747)	0	39,000	39,000	0
LA Spend & Exits		28,542	28,611	(69)	28,972	-5,758	-5,758	0
Universal Support, Management and HB Experts	PC	19,063	19,064	(1)	23,233	8,669	8,669	0
LA Migration	PC	6,079	6,079	0	5,739	9,626	9,626	0
LA New Burdens	PC	3,400	3,468	(68)	0	2,927	2,927	0
Local Authorities - Savings	PC	0	0	0	0	-26,979	-26,979	0
Recharges		10,746	10,746	(0)	7,694	9,458	9,350	109
Independent Case Examiner		190	190	0	252	426	426	0
Legal Costs		478	478	0	478	480	480	0
Internal Legal Costs	PC	478	478	0	478	480	480	0
Strategy		6,595	6,595	(0)	6,610	7,053	6,944	109
Strat - Analytical Services Directorate	PC	300	300	(0)	307	316	553	(236)
Strat - Labour Market	PC	379	379	(0)	447	446	320	127
Strat - UC Analysis	PC	3,194	3,194	0	3,129	3,336	3,101	235
Strat - UC Policy		2,037	2,037	(0)	2,043	2,223	2,240	(17)
FLDM (DMA)	PC	685	685	(0)	685	731	731	0
CMG Telephony Recharges	PC	3,130	3,130	0	0	1,500	1,500	0
CMG IT Futures (CMEC)	PC	354	354	0	354	0	0	0
Pilots & Trials		619	264	354	1,750	0	0	0
Labour Market Trials	PC	435	243	192	500	0	0	0
UC Evaluation	PC	184	21	162	1,250	0	0	0
Digital Service net Operational Impact:	PC	0	0	(0)	2,762	187,162	8,931	178,231
Digital Service Operational Costs	PC	59,600	0	59,600	60,707	746,798	17,114	729,684
Digital Service Operational Savings	PC	-59,600	0	(59,600)	-57,945	-573,752	-17,114	(556,638)
Migration		0	0	0	0	8,931	8,931	0
NISSA Premium	PC	0	0	0	0	5,185	0	5,185
Supply Contingency costs		0	0	0	0	32,300	0	32,300
Supply Contingency SC Staff	PC	0	0	0	0	23,100	0	23,100
Supply Contingency WS Staff	PC	0	0	0	0	9,200	0	9,200
Total - Pauline Crellin		63,920	64,177	(257)	52,961	270,456	61,356	209,100

Rest of Programme								
Core Programme Teams								
UCDG	IW	1,050	1,059	(9)	980	1,018	986	31
Programme Director	IW	864	861	3	928	1,018	986	31
Other Core Programme		182	194	(12)	51	0	0	0
External consultancy support costs	IW	3	3	0	2	0	0	0
Recharges - F&C:								
UC Finance	IW	7	27	(20)	-45	0	0	0
UC Finance (Operations)	IW	4,329	4,329	(0)	4,309	3,944	4,248	(304)
Finance & Commercial recharges	IW	945	945	(0)	954	982	922	60
Projects & Recharges:								
Contracted Operations Recharges	IW	463	463	0	614	470	282	188
HR Recharges	IW	2,920	2,920	(0)	2,742	2,492	3,043	(552)
FED Analysts	IW	8,904	8,904	0	8,986	2,357	2,346	10
Welsh Language Unit	IW	222	222	0	220	240	240	0
LA cost of HB transition to UC	IW	427	427	0	466	390	390	0
HMRC	IW	152	152	0	152	156	156	0
		65	65	0	65	70	60	10
		8,037	8,037	0	8,083	1,500	1,500	0
Total - Ian Wright		14,589	14,619	(29)	14,680	69,044	68,067	977
Central Overlay	IW	0	0	0.0%	252	-34,400	17,000	- 51,400
Total Financial Costs	IW	0	0	0.0	0	1,156	0	1,156
Total UC - Excluding Budget Transfers		197,541	197,703	(162)	197,997	458,408	239,464	218,944
Rest of Programme - ext Budget Holder								
Recharges, Pilots & Trials		4,112	4,112	0	4,112	779	779	0
Welsh Language		70	70	0	70	0	0	0
Operational Services Commissions		1,570	1,570	0	1,570	0	0	0
Micromanagement Team		979	979	0	979	0	0	0
Network Management Team		460	460	0	460	0	0	0
National Implementation Team		269	269	0	269	0	0	0
SPAG Labour Market		763	763	0	763	779	779	0
LAs		-17,194	-17,194	0	-17,194	0	0	0
LA Savings		-17,194	-17,194	0	-17,194	0	0	0
Net Operational Impact		243,264	243,264	0	238,264	0	211,545	(211,545)
Consequential Costs Service Centres		113,261	113,261	0	113,261	0	197,542	(197,542)
Consequential costs - Supply Contingency SC		92,335	92,335	0	92,335	0	23,100	(23,100)
Consequential savings Service Centres		-74,311	-74,311	0	-74,311	0	-130,273	130,273
Consequential Costs Work Services		250,698	250,698	0	245,698	0	446,246	(446,246)
Consequential costs - Supply Contingency WS		25,614	25,614	0	25,614	0	9,200	(9,200)
Consequential savings Work Services		-233,426	-233,426	0	-233,426	0	-378,282	378,282
Consequential Costs Pensions		839	839	0	839	0	3,323	(3,323)
Consequential Costs Youth Obligation		38,153	38,153	0	38,153	0	40,689	(40,689)
Medical Services - costs		0	59,600	(59,600)	0	0	88,907	(88,907)
Medical Services - savings		0	-59,600	59,600	0	0	-88,907	88,907
Learning & Development (SC & WSC)		17,949	17,949	0	17,949	0	0	0
Digital Service Migration		12,154	12,154	0	12,154	0	0	0
HMRC		5,736	5,735	1	5,736	-63,440	-63,440	0
HMRC costs		26,716	26,715	1	26,716	0	0	0
HMRC Savings		-20,980	-20,980	0	-20,980	-63,440	-63,440	0
Technology		11,162	11,162	0	11,162	0	0	0
IT Live Running IPCC		2,535	2,535	0	2,535	0	0	0
IT Live Running IBM AM, Accenture AM, BPDTS AS		4,831	4,831	0	4,831	0	0	0
TR1 P6 IT Live Service IT		3,796	3,796	0	3,796	0	0	0
Total External Budget Holders		247,080	247,079	1	242,080	-62,661	148,884	(211,545)
UC TOTAL		444,621	444,782	(161)	440,077	395,746	388,348	7,398

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Headlines

2018/19: No material change

2019/20: £48.8m decrease due to:

- Funding Transfers to Operations: £40.7m Youth Obligation
- Forecast changes: £7.6m Reduction in Learning and Development costs

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Total - Paul Francis		92,936	92,949	(13)	99,971	79,356	73,625	5,730

Headlines

2018/19: No material overall change

2019/20: £5.7m decrease due to:

- Forecast changes: £5.7m Resulting from bottom up review of latest costs