

# Finance Report UC Programme Board

## November 2022/23 Period 08

UCPB201222 – BTL04

# Universal Credit Programme – Contents

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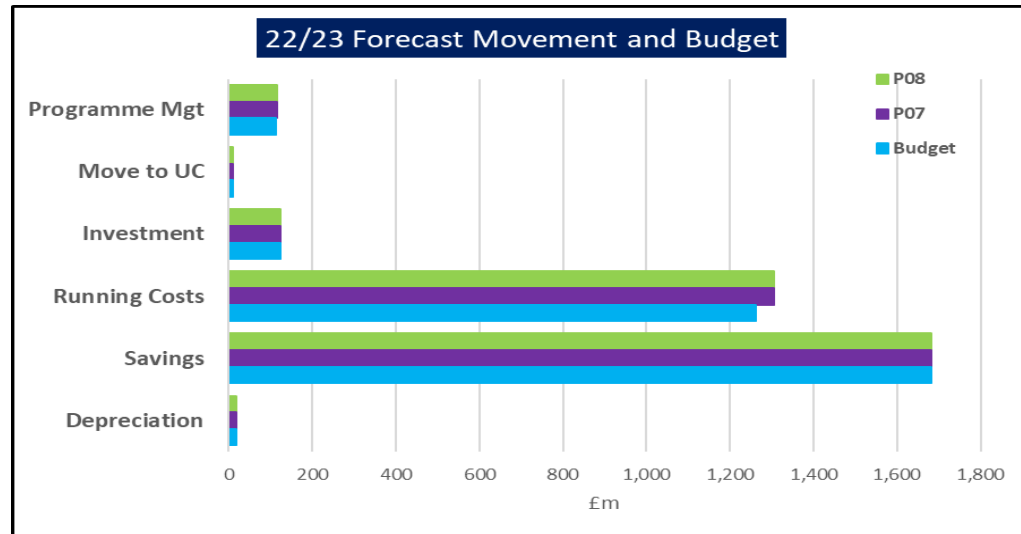
Full Business Case View

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# Universal Credit Programme – Finance Position 22/23

## 2022/23 Period 08

|                   | Forecast 22/23 |              |            | Budget 22/23 |             |
|-------------------|----------------|--------------|------------|--------------|-------------|
|                   | P08            | P07          | Var        | Budget       | Var         |
| Programme Mgt     | 115            | 115          | 0          | 113          | (2)         |
| Move to UC        | 10             | 10           | (0)        | 11           | 1           |
| <b>Investment</b> | <b>124</b>     | <b>124</b>   | <b>0</b>   | <b>124</b>   | <b>(0)</b>  |
| Running Costs     | 1,307          | 1,306        | (1)        | 1,262        | (45)        |
| Savings           | (1,683)        | (1,683)      | 0          | (1,683)      | 1           |
| Depreciation      | 17             | 17           | (0)        | 17           | 0           |
| <b>Total</b>      | <b>(235)</b>   | <b>(236)</b> | <b>(1)</b> | <b>(280)</b> | <b>(45)</b> |



### Forecast

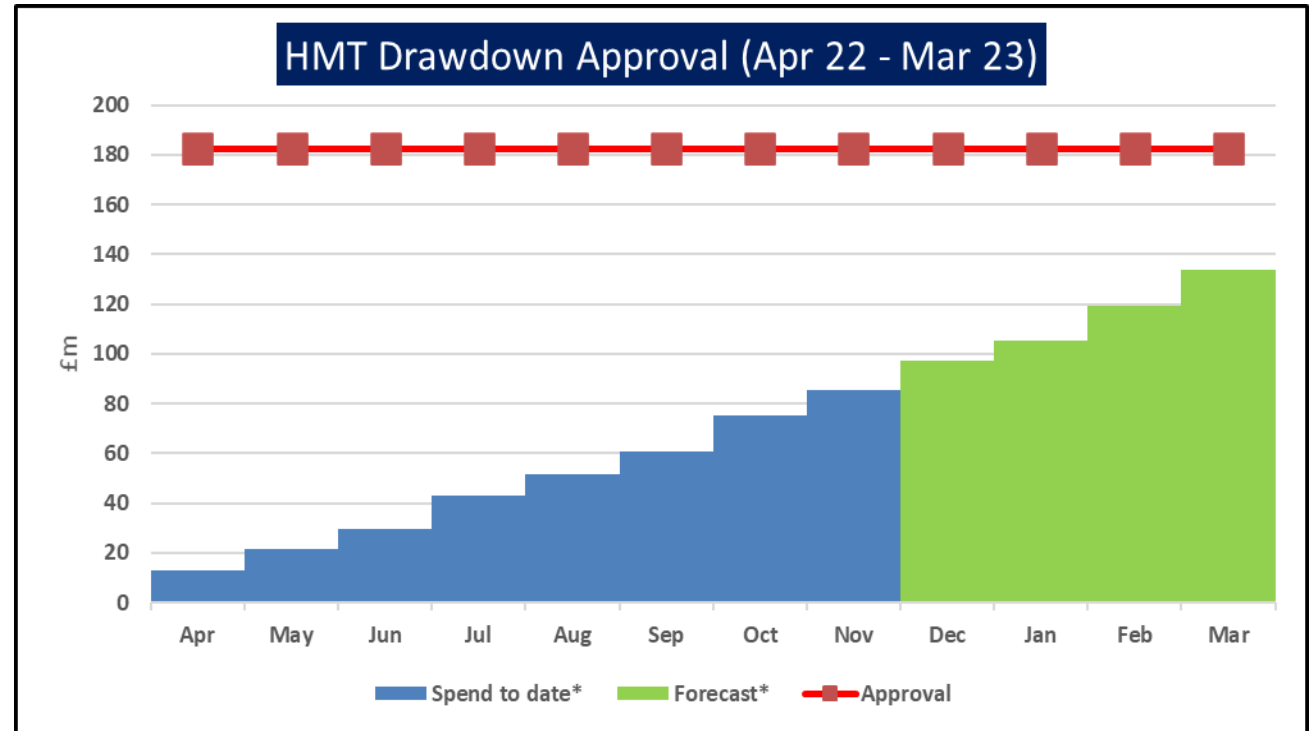
- Total forecast reduction this month of £2.6m – Made up of £2m provision for Partnership Support removed, £1.1m marketing reduction to reflect latest plans and minor movements in workforce plans, TCR and Digital. These have been offset by reduction in overlay of £2.6m resulting in net zero movement.
- Operations forecast has increased by £1.26m as a result of revised recruitment and attrition overlays.

### Budget

- UC Ops - Reduction of £0.4m due to transfer of NSESA Telephony from UC Ops to WA

**Drawdown Approval Narrative.**

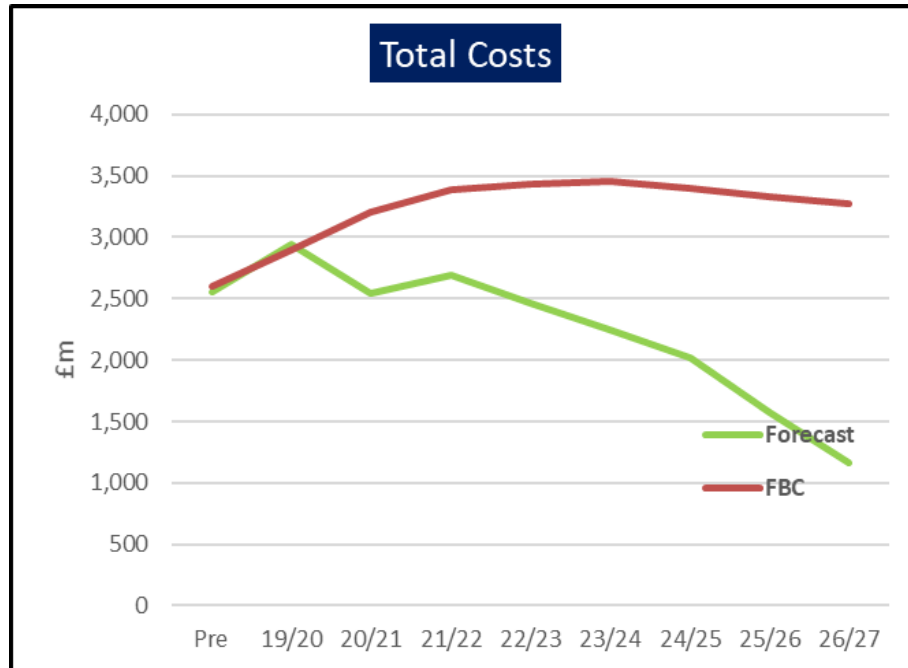
- Approval of £182.6m excluding depreciation and £198.8m including depreciation has been given to the Programme by HMT for the 22/23 drawdown, subject to regular HMT engagement and approval points.



\* Forecast and Spend to date only includes items included in the HMT drawdown approval

# Universal Credit Programme – Total Programme Costs

## 2022/23 Period 08



### Total Programme Costs Headlines

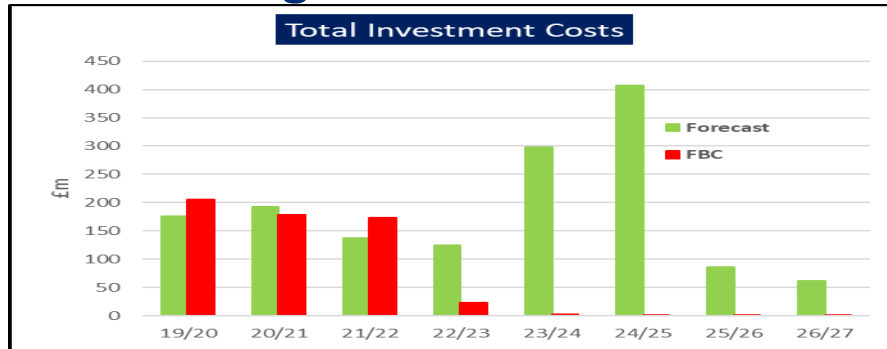
- This report reflects the Business Case Refresh position for P08 updated on Hyperion as the current forecast. However, the FBC Baseline figures do not reflect the refresh (last column below), this will be updated at P09 once approved at the upcoming HMT TAP review.
- Overall Forecast costs are £2.1bn lower than the 2018 FBC. This is due to the forecast being updated to align with the latest business case refresh. This includes Spring Planning 22 volumes updated throughout the remaining life of the Programme, AET at 12 hours and migration plan B. It does not include Autumn Statement impacts on the migration plan, additional funding for Targeted Case Review or AET move to 15 hours.
- The savings methodology has been revised for the business case refresh and includes Spring Planning 22 volumes updated throughout the remaining life of the Programme, AET at 12 hours and migration plan B. It does not include Autumn Statement impacts on the migration plan, additional funding for Targeted Case Review or AET move to 15 hours.

|               | Total Costs £m |       |         |         |         |         |         |         |         |          | FBC     |
|---------------|----------------|-------|---------|---------|---------|---------|---------|---------|---------|----------|---------|
|               | Pre            | 19/20 | 20/21   | 21/22   | 22/23   | 23/24   | 24/25   | 25/26   | 26/27   | Total    |         |
| Programme Mgt | 1,441          | 147   | 171     | 130     | 115     | 201     | 241     | 84      | 62      | 2,592    | 1,771   |
| Move to UC    | 45             | 30    | 22      | 7       | 10      | 97      | 166     | 2       | 0       | 380      | 291     |
| Investment    | 1,486          | 176   | 193     | 137     | 124     | 298     | 407     | 86      | 62      | 2,971    | 2,062   |
| Running Costs | 1,645          | 864   | 1,396   | 1,631   | 1,307   | 1,479   | 1,746   | 2,036   | 2,159   | 14,262   | 10,655  |
| Savings       | (842)          | (670) | (1,996) | (1,631) | (1,683) | (2,003) | (2,405) | (2,590) | (2,662) | (16,482) | (9,806) |
| Depreciation  | 266            | 13    | 13      | 15      | 17      | 19      | 22      | 26      | 24      | 415      | 357     |
| Total         | 2,554          | 384   | (394)   | 153     | (235)   | (206)   | (229)   | (442)   | (417)   | 1,167    | 3,268   |

Re-categorisation changes made between Programme and Move to UC

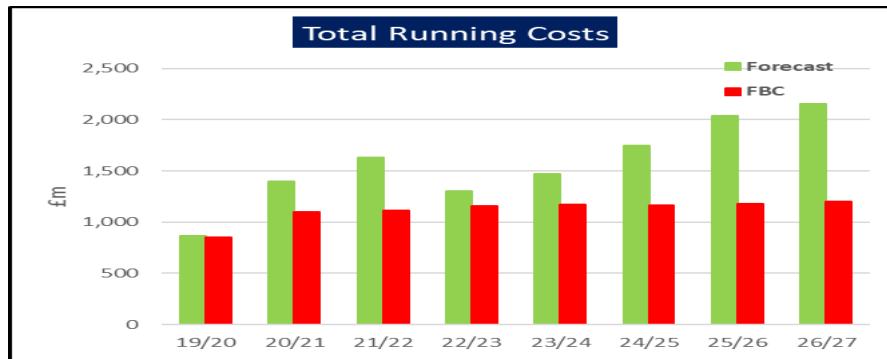
# Universal Credit Programme – Investment, Running Costs and Savings

2022/23 Period 08



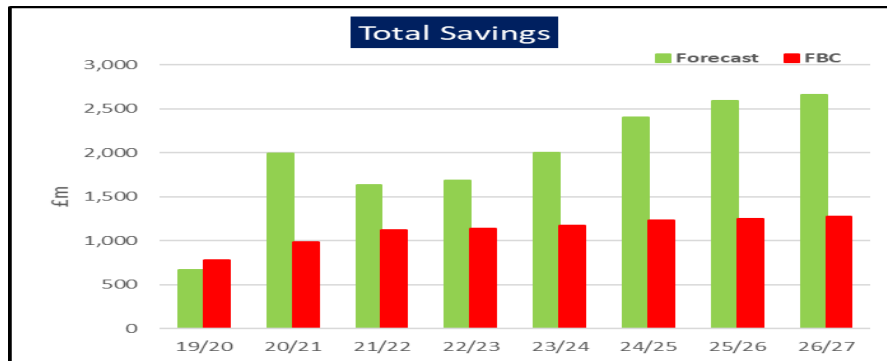
## Investment Costs Headlines

Investment forecast currently higher than the 2018 FBC. This is due to the forecast being updated to align with the latest business case refresh. This includes Spring Planning 22 volumes updated throughout the remaining life of the Programme, AET at 12 hours and migration plan B. The FBC Baseline figures will be updated at P09 once agreed at HMT TAP review to align to Business Case refresh.



## Running Costs Headlines

Running cost forecast currently higher than the 2018 FBC. This is due to the forecast being updated to align with the latest business case refresh. This includes Spring Planning 22 volumes updated throughout the remaining life of the Programme, AET at 12 hours and migration plan B. The FBC Baseline figures will be updated at P09 once agreed at HMT TAP review to align to Business Case refresh.



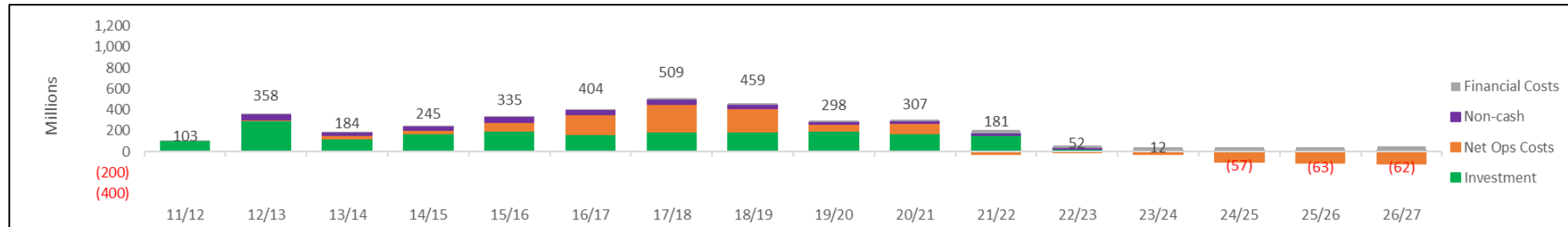
## Savings Headlines

Savings forecast currently higher than the 2018 FBC. This is due to the forecast being updated to align with the latest business case refresh. This includes Spring Planning 22 volumes updated throughout the remaining life of the Programme, AET at 12 hours and migration plan B. The FBC Baseline figures will be updated at P09 once agreed at HMT TAP review to align to Business Case refresh.

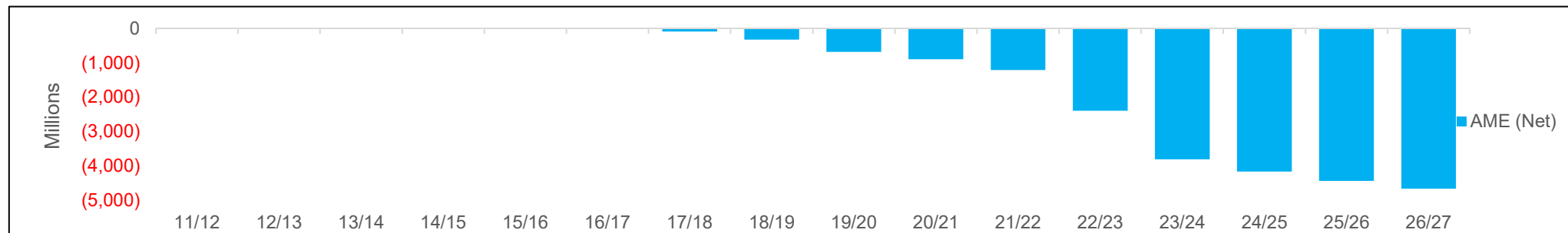
# Full Business Case View

## 2022/23 Period 08

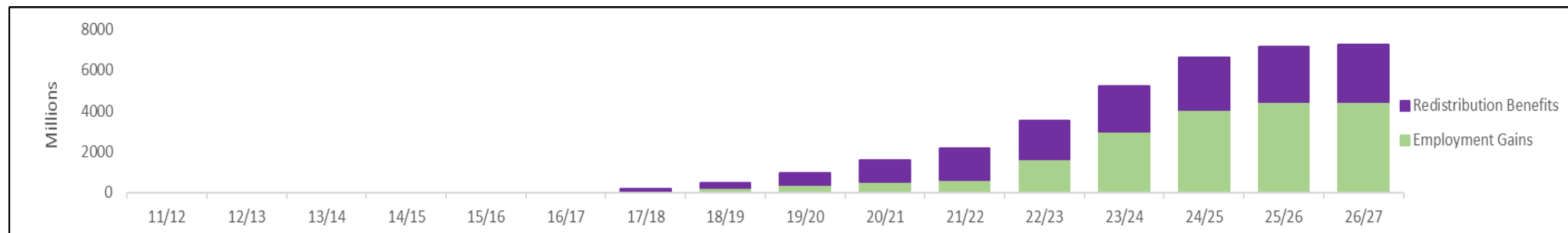
### DEL Costs



### AME Costs and Savings



### Economic Benefits



These numbers are based on the Full Business Case approved by HMT in Spring 2018