

Finance Report UC Programme Board

December 2022/23 Period 09

Universal Credit Programme – Contents

2022/23 Period 09**Slide**

Finance Position 22/23

3

Drawdown Approval

4

Total Programme Costs

5

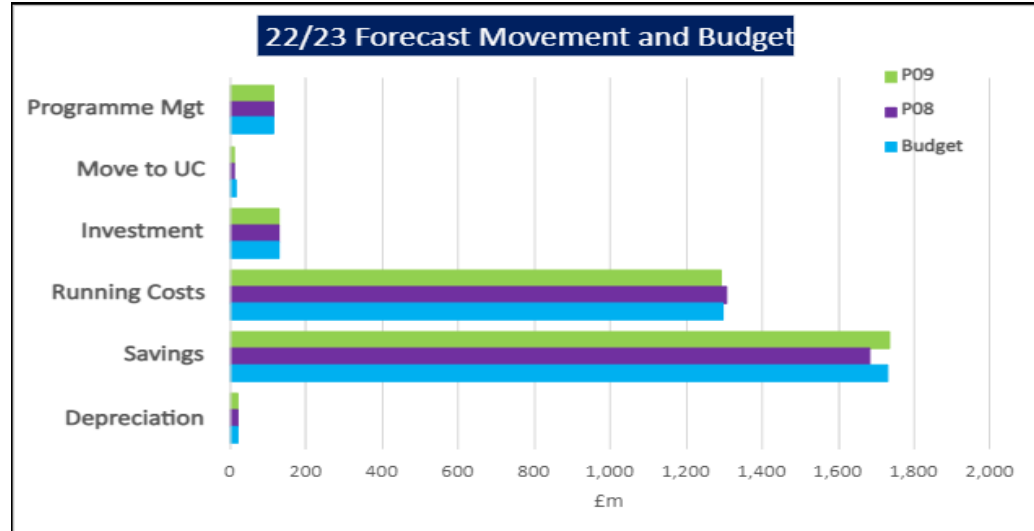
Investment, Running Costs and Savings

6

Universal Credit Programme – Finance Position 22/23

2022/23 Period 09

	Forecast 22/23			Budget 22/23	
	P09	P08	Var	Budget	Var
Programme Mgt	114	115	1	113	(1)
Move to UC	11	11	(0)	12	1
Investment	125	126	1	125	0
Running Costs	1,289	1,306	17	1,296	7
Savings	(1,732)	(1,683)	48	(1,731)	1
Depreciation	17	17	(1)	17	(1)
Total	(300)	(235)	65	(293)	7



Forecast

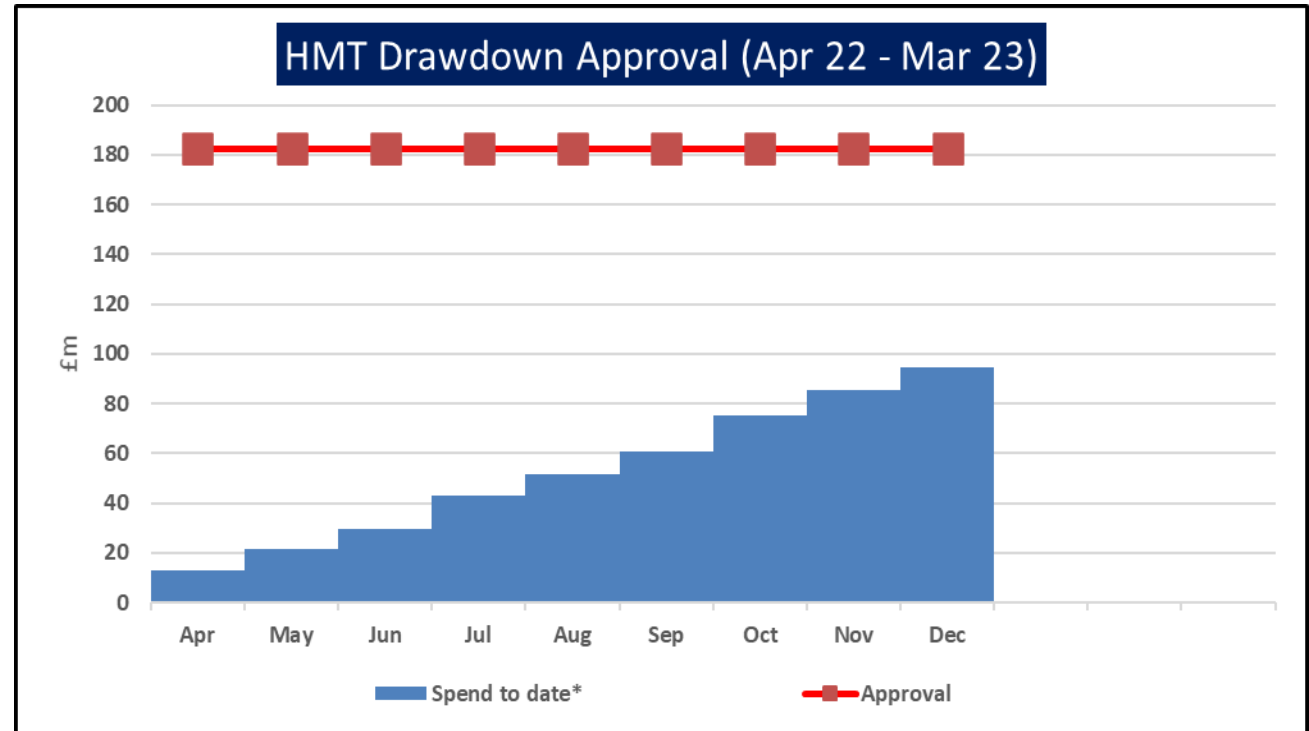
- Total forecast reduction this month of £0.5m – Made up of reductions in workforce plans £0.4m, TCR operational recharges £0.3m and Help to Claim / Future Support £0.5m. These have been offset by increases in Move to UC recharges £0.2m and Depreciation £0.6m. These movements have been balanced by reduction in overlay of £0.5m resulting in net zero movement.
- Operations forecast has decreased by £16.9m as a result of revised methodologies when allocating forecast between UC and Legacy.

Budget

- UC Ops – Budget realigned to P06 position which means the pressure at P08 against budget of £45m is now £7m underspend

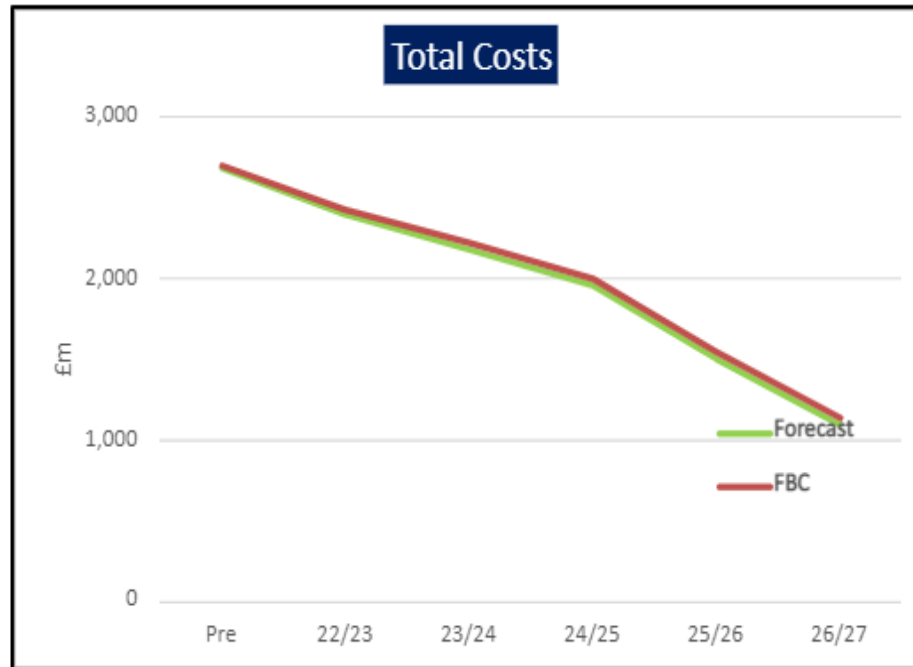
Drawdown Approval Narrative.

- Drawdown approval of £182.6m excluding depreciation and £198.8m including depreciation was given to the Programme by HMT for March 22 – December 22, subject to regular HMT engagement and approval points.
- Approval has been granted for January 23 – December 23 and this will be reflected in the P10 Programme Board.
- HMT advised that drawdown approval is only required for Move to UC element of the Programmes forecast as TCR and Help to Claim were already approved.



Universal Credit Programme – Total Programme Costs

2022/23 Period 09



Total Programme Costs Headlines

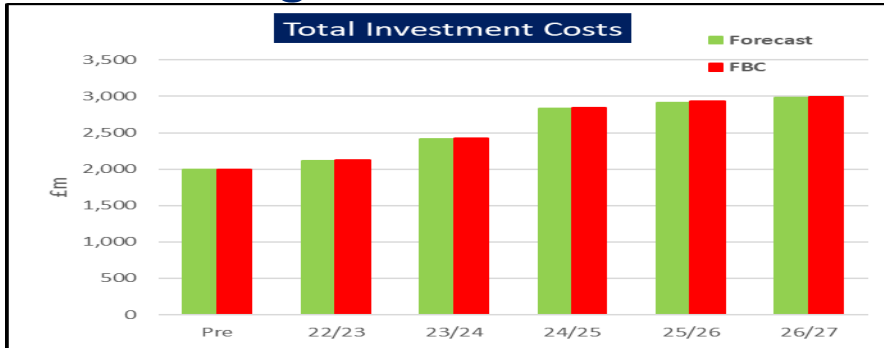
- Following approval on 15th December at the HMT TAP review, this report reflects the Business Case Refresh baseline position compared to the P09 forecast position.
- Overall Forecast costs are £42m lower than the 2022 FBC refresh due to a reduction in the operational running costs forecast since the P06 business case refresh position and removal of staffing inflation which is now being forecast centrally.

	Total Costs £m								Whole Life Movement
	Pre	22/23	23/24	24/25	25/26	26/27	Total	FBC	
Programme Mgt	1,841	114	201	241	84	61	2,543	2,554	12
Move to UC	152	10	100	173	2	0	437	443	5
Investment	1,993	124	301	414	86	61	2,980	2,997	17
Running Costs	5,536	1,290	1,493	1,754	2,045	2,168	14,285	14,308	23
Savings	(5,139)	(1,732)	(2,025)	(2,416)	(2,601)	(2,674)	(16,587)	(16,588)	(1)
Depreciation	307	17	19	22	26	24	416	419	3
Total	2,696	(300)	(212)	(225)	(445)	(421)	1,094	1,135	42

Re-categorisation changes made between Programme and Move to UC

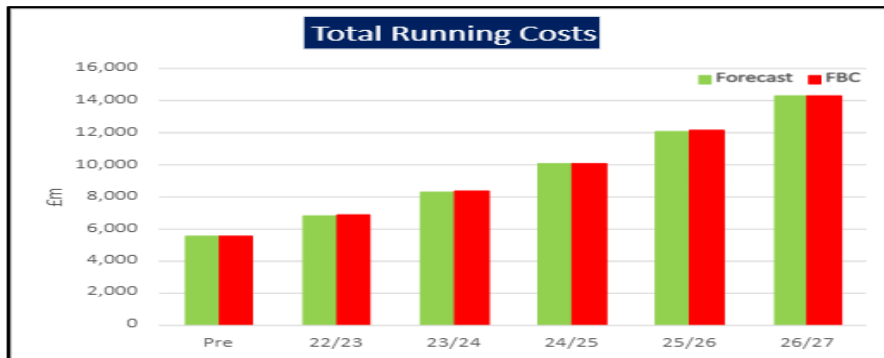
Universal Credit Programme – Investment, Running Costs and Savings

2022/23 Period 09



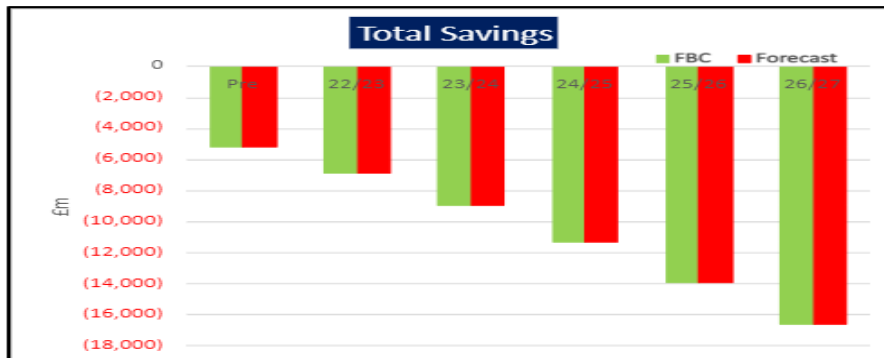
Investment Costs Headlines

Investment forecast currently lower than the FBC Refresh due to removal of inflation relating to staff which is now held centrally



Running Costs Headlines

Running cost forecast currently lower than the FBC Refresh due to UC Ops following revised methodologies when allocating forecast between UC and Legacy.



Savings Headlines

Savings currently align to the FBC Refresh position