
National Savings and Investments

Introduction

- 1 This Estimate provides for the expenditure on the administration of the National Savings and Investments.
- 2 National Savings and Investments aims to inspire a stronger savings culture and believes everyone should have the opportunity to save confidently. To achieve this, its core objective is to provide cost-effective financing for government and the public good. National Savings and Investments is committed to offering trusted savings and investments propositions, and to balancing the interests of its savers, taxpayers and the market. Products cover fixed rate, variable rate and prize based Premium Bonds. National Savings and Investments is also leveraging its core infrastructure and capability by delivering other valued services for government.
- 3 The cost of National Savings and Investments operations comprises debt interest, tax foregone and administration. The last item is included in the budgets and is covered by this Resource Estimate which provides for administering and selling National Savings and Investments products, maintaining customer holdings, and making payments to and conducting correspondence with investors as well as leveraging its capabilities.
- 4 In May 2013 following a competitive tender, National Savings and Investments entered into a new seven-year Public-Private Partnership contract with Atos for the provision of operational services which came into effect on 1 April 2014. National Savings and Investments have since extended the contract for a further three years to March 2024. The contract is to design, develop, procure, finance and operate, including maintaining certain assets over the period of the contract to enable the provision of a back office function and Customer Interaction Centre. The contract value is over £600 million for the seven year operational term in nominal terms, however this will vary depending on the level of stock and business-to-business activity. The three year contract extension value is estimated to be over £300 million. The contract provides for greater efficiencies and substantial savings over its life. The contract payments to Atos account for over 75% of the full estimate.
- 5 Full details of the expenditure contained in this Estimate can be found in National Savings and Investments Annual Report and Accounts 2021.

Part I

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	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	185,670,000	-	185,670,000
Capital	660,000	-	660,000
Annually Managed Expenditure			
Resource	300,000	-	300,000
Capital	-	-	-
Total Net Budget			
Resource	185,970,000	-	185,970,000
Capital	660,000	-	660,000
Non-Budget Expenditure	-		
Net cash requirement	192,480,000		

Amounts required in the year ending 31 March 2022 for expenditure by National Savings and Investments on:

Departmental Expenditure Limit:

Expenditure arising from:

Cost of delivery of National Savings and Investments operations, and leveraged activities with other bodies including administration, operational research and development works, transformation activity, other payments and non-cash items. Other payments including payments in respect of recovered losses. And expenditure on capital items

Income arising from:

The leveraging of National Savings and Investments core infrastructure and capabilities and associated contracts including rent receipts and other receipts such as loss recovery payments . The sale of assets resulting in some capital income being used as sale proceeds.

Annually Managed Expenditure:

Expenditure arising from:

Non-cash movements in provisions including changes to fair value of National Savings and Investment's properties.

National Savings and Investments will account for this Estimate.

Part I (continued)

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	Voted Total	Allocated in Vote on Account	Balance to complete or surrender
Departmental Expenditure Limit			
Resource	185,670,000	57,317,000	128,353,000
Capital	660,000	297,000	363,000
Annually Managed Expenditure			
Resource	300,000	1,485,000	-1,185,000
Capital	-	-	-
Non-Budget Expenditure	-	-	-
Net cash requirement	192,480,000	59,396,000	133,084,000

Part II: Resource to cash reconciliation

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	2021-22 Plans	2020-21 Provisions	2019-20 Outturn
Net Resource Requirement	185,970	171,170	119,392
Net Capital Requirement	660	661	-
Accruals to cash adjustments	5,850	660	-5,500
<i>Of which:</i>			
<i>Adjustment for ALBs:</i>			
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-2,400	-5,400	-713
New provisions and adjustments to previous provisions	-300	-300	-
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-450	-640	-450
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	4,000	4,000	-10,136
Increase (-) / Decrease (+) in creditors	5,000	3,000	5,799
Use of provisions	-	-	-
Removal of non-voted budget items	-	-	-
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	192,480	172,491	113,892

Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

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	2021-22 Plans	2020-21 Provisions	2019-20 Outturn
Gross Administration Costs	306,670	288,870	175,616
<i>Less:</i>			
Administration DEL Income	-121,000	-121,000	-56,675
Net Administration Costs	185,670	167,870	118,941
Gross Programme Costs	-1,700	11,478	10,110
<i>Less:</i>			
Programme DEL Income	-	-	-
Programme AME Income	-	-	-
Non-budget income	-	-	-
Net Programme Costs	-1,700	11,478	10,110
Total Net Operating Costs	183,970	179,348	129,051
<i>Of which:</i>			
Resource DEL	185,670	167,870	118,941
Capital DEL	-	2,178	-
Resource AME	300	3,300	451
Capital AME	-	-	-
Non-budget	-2,000	6,000	9,659
<i>Adjustments to include:</i>			
Departmental Unallocated Provision (resource)	-	-	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-	-	-
<i>Adjustments to remove:</i>			
Capital in the SoCNE	-	-2,178	-
Grants to devolved administrations	-	-	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-	-	-
Other adjustments	2,000	-6,000	-9,659
Total Resource Budget	185,970	171,170	119,392
<i>Of which:</i>			
Resource DEL	185,670	167,870	118,941
Resource AME	300	3,300	451
<i>Adjustments to include:</i>			
Grants to devolved administrations	-	-	-
Prior period adjustments	-	-	-
<i>Adjustments to remove:</i>			
Consolidated Fund Extra Receipts in the resource budget	-	-	-
Other adjustments	-	-	-
Total Resource (Estimate)	185,970	171,170	119,392

Part III: Note B - Analysis of Departmental Income

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	2021-22 Plans	2020-21 Provision	2019-20 Outturn
Voted Resource DEL	-121,000	-121,000	-56,675
<i>Of which:</i>			
Administration			
Sales of Goods and Services	-121,000	-121,000	-56,503
<i>Of which:</i>			
A Administration	-121,000	-121,000	-56,503
Other Income	-	-	-172
<i>Of which:</i>			
A Administration	-	-	-172
Total Administration	<u>-121,000</u>	<u>-121,000</u>	<u>-56,675</u>
Total Voted Resource Income	<u>-121,000</u>	<u>-121,000</u>	<u>-56,675</u>
Voted Capital DEL	-	-2,177	-
<i>Of which:</i>			
Programme			
Sales of Assets	-	-2,177	-
<i>Of which:</i>			
A Administration	-	-2,177	-
Total Programme	<u>-</u>	<u>-2,177</u>	<u>-</u>
Total Voted Capital Income	<u>-</u>	<u>-2,177</u>	<u>-</u>

Part III: Note C - Analysis of Consolidated Fund Extra Receipts

No CFER income or receipts are expected in 2021-22 or 2020-21. No CFER income or receipts were received in 2019-20.

Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

Accounting Officer: Ian Ackerley

Ian Ackerley has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.