

Xoserve Business Plan 2025: BPIR Assurance

BP 25 Draft 1 BPIR Assurance Report
17th September

xoserve

KEARNEY



Executive summary

Background

- **Xoserve's Business Plan 2025 (BP25) represents the first time that it has been written with the Business Plan Information Rules (BPIRs) as a guide**, and with an independent assurance as part of the process
- **Xoserve engaged Kearney early in the BP process**, enabling us to agree a methodology that would enable our timely review across the multiple BP drafts. There has been a high level of engagement with the Xoserve team from the outset and the materials we received have been clear with good traceability to the BPIRs to aid our work. We reviewed non-redacted version of BP materials

Process and methodology

- Given this is the first time the BPIRs have been used and that an independent exercise has been used to evaluate them, we have had to define the methodology and interpretation of them. Given this report also represents a review on the first draft, our guide was to be conservative in our scoring, to provide the most meaningful flag of where there are opportunities to improve compliance
- We recognise that because this is the first draft, because of the nature of certain investments (e.g. drawn downs) and where certain investments are in their maturation (e.g. Trident), it would **not always be feasible to be scored as fully compliant on a BPIR**
- We have therefore chosen to score on two dimensions. The first is a strict “compliance” to BPIR score. The second, is an **adjusted compliance score , to score compliance only on those BPIRs we believe could have been fully compliant at this point**

Draft 1 review summary and recommendations

- **Xoserve scores 67% on the standard metric and 82%¹ on the adjusted compliance score for its first draft. There is an opportunity to increase these scores between the first and the final draft**
- This high score can be attributed to the fact that the BP has been written with the BPIR in mind from the inception, rather than be written and then subsequently evaluated against them
- As you would expect, **compliance is higher on areas with more stability** (e.g. cost and expenditure, allocations) vs. areas where the understanding of the requirements are less developed (e.g. investments, especially ones that are early in their timeline such as Trident or ones that represent a drawn down request for as yet not specified items)
- We identified a number of recommendations to improve compliance, including:
 - Developing a **standardised investment proposal template**, aligned to show a clear track to the BPIRs
 - Developing a common way to review the option space across investments (including framing of do-nothing cases) to ensure all options are evaluated before preferences are draw
 - Making the criteria that will be used to evaluate options clear, before they are applied
 - Develop a common approach to scenarios and sensitivity analysis, for options where this needs to be carried out
 - Providing a clearer track of how future performance is expected to track versus today, to demonstrate continued improvement

Next Steps

- We look forward reviewing draft 2 in the week of 21st October, to assess BPIRs that we were unable to comment on in the first draft and see where Xoserve has been able to implement recommendations we have proposed

1) Of those BPIRs that we deemed could have been fully compliant at this point, 82% were fully compliant
Source: Kearney

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BP25 is set to be finalised in December 2024. BPIR assurance is happening with each draft version

Project timeline

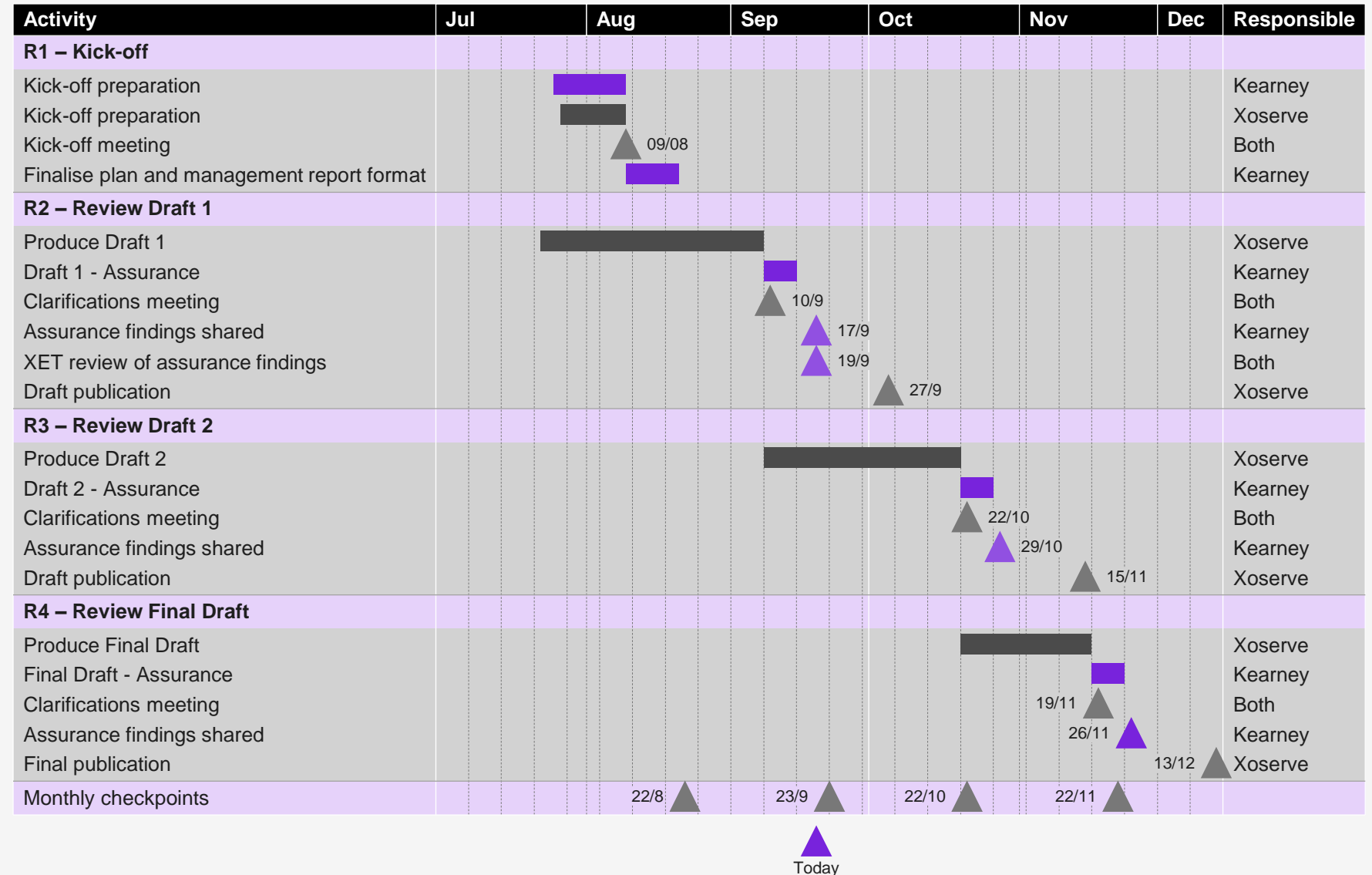


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The BP25 First Draft achieved 82% “fully compliant” on our “adjusted” compliance metric

Dashboard summary

#	BPIR category	Fully compliant (%)	Adjusted compliant ¹ (%)	Compliance comments	Recommendation
	Overall	67%	82%		
1	Publication of material	50%	100%	Full compliance should be achievable in subsequent drafts	Ensure subsequent drafts updated to cover areas where BPIRs scored partial
2	Stakeholder engagement	71%	100%	Full compliance should be achievable in subsequent drafts	Ensure subsequent drafts updated to cover areas where BPIRs scored partial
3	Current performance	85%	100%	Full compliance should be achievable in subsequent drafts	Ensure subsequent drafts updated to cover areas where BPIRs scored partial
4	Outputs	89%	89%	1 BPIR partial, with opportunity to improve	Opportunity to more clearly describe how outputs will improve over time
5.1	Investment proposals – Trident	72%	81%	Investment proposals are mostly detailed, but not always standardised in how they are put together. Some provide greater clarity on the options space for consideration and how they have been evaluated. Demonstrating a standard approach to cost-benefit-analysis and scenario / sensitivity assessment would also be helpful	Across investment proposals, there are some common areas of feedback to consider <ul style="list-style-type: none"> – Build a standardised investment report template, aligned to show a clear track to the BPIRs – Create a common way to review the option space across investments (incl. “Do nothing”) and ensure options are evaluated before clear preferences drawn – Make clear the criteria that will be used to evaluate options before they are applied – Develop a common set of scenarios and sensitivities that options should be evaluated against
5.2	Investment proposals – CDSP Services dev.	50%	82%		
5.3	Investment proposals – Digital UX	67%	75%		
5.4	Investment proposals – UKL Sustain	72%	76%		
5.5	Investment proposals – General Change	44%	57%		
5.6	Investment proposals – Gemini	44%	67%	Some BPIRs are hard to achieve for investment requests that are either early in maturation (e.g. Trident) or where they represent drawdown approaches. This has been reflected in the adjusted compliance score	
6	Costs and expenditure	100%	100%	Fully compliant	None
7	Allocations of costs to customer classes	100%	100%	Fully compliant	None

Summary of compliance scores

	BP25 - Draft 1
Fully compliant	111
Partially compliant	41
Not compliant	13
Total BPIR rules	165
Total Adjusted BPIR¹	135

1. The adjusted BPIR refers to the total count of BPIR that were assessed as feasible for Xoserve to have been fully compliant on in draft 1 or within the stages of the given project investments;
Source: Kearney

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Detailed assurance review

- **Publication of material**
- **Stakeholder engagements**
- **Current performance**
- **Outputs**
- **Investment proposals**
- **Costs and expenditures**
- **Allocations of costs**

Appendix



Publication of material

Publication of material

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<i>The CDSP shall publish the following on a dedicated, and unrestricted section of its website:</i>	Draft Statement of Planning Principles and supporting material;	●	None	None
	Non-confidential feedback on the draft Statement of Planning Principles;	●	None	None
	Final Statement of Planning Principles and supporting material;	●	None	None
	Draft CDSP Budget and supporting material;	●	None	None
	Non-confidential feedback on the draft CDSP Budget;	●	To review in subsequent drafts. Not feasible for draft 1	Ensure update / coverage in subsequent drafts
	Further draft(s) of the CDSP Budget and supporting material;	●	To review in subsequent drafts. Not feasible for draft 1	Ensure update / coverage in subsequent drafts
	Non-confidential feedback on further draft(s) of the CDSP Budget; and	●	To review in subsequent drafts. Not feasible for draft 1	Ensure update / coverage in subsequent drafts
	Final CDSP Budget and supporting material.	●	To review in subsequent drafts. Not feasible for draft 1	Ensure update / coverage in subsequent drafts
<i>Fully compliant (%):</i>		50%		
<i>Overall adjusted BPIR compliant (%):</i>		100%		

Stakeholder engagement

Stakeholder engagement

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<i>In the draft and final versions of the CDSP Budget, the CDSP shall explain:</i>	How it [the CDSP] actively sought views from stakeholders	●	Stakeholder Engagement Annex (1.3) describes in detail the process and forum by which stakeholders will be engaged across the business plan cycle, providing confidence partially compliant scores can reach full compliance	None
	How the [CDSP] content reflects and is informed by feedback from stakeholders	●	Initial opportunity to incorporate feedback demonstrated (e.g. on Principles). To review in subsequent drafts. Not feasible to be fully compliant in draft 1	Ensure update / coverage in subsequent drafts
	How the selected expenditure plans and investment options reflect stakeholder priorities	●		None
	The reasons why any stakeholder feedback was not incorporated into the content	●	Initial opportunity to incorporate feedback demonstrated (e.g. on Principles). To review in subsequent drafts. Not feasible to be fully compliant in draft 1	Ensure update / coverage in subsequent drafts
<i>In the CDSP Budget, the CDSP shall also explain how it will carry out robust and high-quality engagement with stakeholders during Year Y relating to:</i>	Finalising activities and Costs that were uncertain and could not have been confirmed when the CDSP Budget was set;	●		None
	Agreeing activities and Costs for which the need may arise during Year Y; and	●	Documented process with Contract Management Committee	None
	Tracking progress of the delivery of the CDSP Budget, including transparent metrics which will enable stakeholders to assess progress and performance.	●	Need to source, but think we can refer to a few sections including the budget build month by month	None
<i>Fully compliant (%)</i>		71%		
<i>Overall adjusted BPIR compliant (%):</i>		100%		

Current performance is compliant with the BPIR (1/2)

Current performance (1/2)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In the draft and final versions of the CDSP Budget, the CDSP shall describe performance during Year Y-1 and explain how that performance has informed the CDSP Budget for Year Y. The values of the Forecast Over/Under Amount for Year Y-1 and the Outturn Over/Under Amount for Year Y-2 must be stated in the CDSP Budget. For the levels of performance and service the CDSP has achieved and/or expects to achieve during Year Y-1, the CDSP Budget must include an explanation of:</i></p>	<p>The differences between what the CDSP expected when the CDSP Budget for Year Y-1 was set and what the CDSP has achieved and/or expects to achieve during Year Y-1</p>	●	<p>Annex 1.3 (Current Performance) contains the Y-4 historic performance of each metric. Current metrics table shows only Y-1 Q1. Not feasible to be fully compliant in draft 1 but will be once updated quarterly data added. To review in subsequent drafts.</p>	<p>Ensure update in subsequent drafts as data becomes available</p>
	<p>The factors that have caused the differences</p>	●	<p>Annex 1.3 (Current Performance) contains detail for each failed KPM/PI</p>	<p>None</p>
	<p>The impact of each factor;</p>	●	<p>Annex 1.3 (Current Performance) contains detail for each failed KPM/PI</p>	<p>None</p>
	<p>The steps that the CDSP has taken and will take during Year Y-1 to ensure levels of performance and service levels to be achieved during Year Y-1 do not fall below what was expected when the CDSP Budget for Year Y-1 was set</p>	●	<p>Annex 1.3 (Current Performance) reports the actions taken to solve the failure, and provides a plan for the ones that have not been resolved</p>	<p>None</p>
	<p>How the differences between what the CDSP expected when the CDSP Budget for Year Y-1 was set and what the CDSP has achieved and/or expects to achieve during Year Y-1 have been considered when preparing the CDSP Budget for Year Y</p>	●	<p>Not feasible to be fully compliant in draft 1 but will be once updated quarterly data added. To review in subsequent drafts.</p>	<p>Ensure update in subsequent drafts as data becomes available</p>

Current performance is compliant with the BPIR (2/2)

Current performance (2/2)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<i>For the Forecast Over/Under Amount for Year Y-1, the CDSP Budget must include:</i>	Details of the Forecast Over/Under Amount for Year Y-1	●	Annex 1.3 (Current Performance) provides the investment that are forecasted to impact the budget over/under amount for Y-1	None
	Descriptions of the factors that have caused and will cause the Forecast Over/Under Amount for Year Y-1	●	Annex 1.3 (Current Performance) points out the factors that will impact the forecast to go over or under the forecasted amount. General Change is identified as the cause	None
	Quantification of impact of each factor on the Forecast Over/Under Amount for Year Y-1	●	Annex 1.3 (Current Performance) states non utilised funds are forecasted to be £1m	None
	An explanation of how the Forecast Over/Under Amount for Year Y-1 has been considered when preparing the CDSP Budget for Year Y	●	Annex 1.3 (Current Performance) explains that budget set for General Change has been based on the historical budget trends and has been agreed with ChMC	None
<i>For the Outturn Over/Under Amount for Year Y-2, the CDSP Budget must include:</i>	Details of the Outturn Over/Under Amount for Year Y-2	●	Annex 1.3 (Current Performance) provides details for the outturn over/under amount for Y-2 have been provided including the name of the investments	None
	Descriptions of the factors that have caused and will cause the Outturn Over/Under Amount for Year Y-2	●	Annex 1.3 (Current Performance) provides a description of the causes of the outturn are provided	None
	Quantification of impact of each factor on the Outturn Over/Under Amount for Year Y-2	●	Annex 1.3 (Current Performance) provides an explanation for each project and the total impact on the outturn	None
	An explanation of how the Outturn Over/Under Amount for Year Y-2 has been considered when preparing the CDSP Budget for Year Y	●	Annex 1.3 (Current Performance) provides an explanation on the budget considerations	None
<i>Fully compliant (%)</i>		85%		
<i>Overall adjusted BPIR compliant (%):</i>		100%		

Outputs are mostly compliant. There is an opportunity to improve reporting of how continuous improvement will be delivered (1/2)

Outputs (1/2)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In the draft and final versions of the CDSP Budget, the CDSP shall describe the outcomes it proposes to achieve for Customers and consumers by the end of Year Y. The CDSP shall also describe the outputs it proposes to deliver in order to achieve those outcomes. The proposed commitments (outcomes and outputs) must be appropriate, well-evidenced and reflect continuous improvement. In the draft and final versions of the CDSP Budget, the CDSP shall explain:</i></p>	<p>The measures of the existing levels of service that customers and consumers receive and how the proposed levels of service for Year Y represent an improvement</p>	●	<p>Annexe 1.4 (Outputs) provides detail across all 18 General Service Areas of the KPM/PIs used. However, the summary does not provide a clear track on how service levels will improve in Year Y relative to Y-1</p>	<p>Provide a clearer track of current performance and expected future performance, detailing which areas are the focus for improvements</p>
	<p>How the CDSP will measure and report on progress against the proposed commitments</p>	●	<p>Annexe 1.4 (Outputs) details the measures</p>	<p>None</p>
	<p>How the CDSP will seek feedback on its performance and progress against the commitments</p>	●	<p>Annexe 1.4 (Outputs) provides a summary of the mechanisms in place to receive feedback (e.g. monthly Contract Management Committee, periodic surveys)</p>	<p>None</p>
	<p>The potential consequences to Customers, consumers and the CDSP of the non-delivery of each commitment</p>	●	<p>Annexe 1.4 (Outputs) outlines the potential consequences on customers and consumers for each service area</p>	<p>None</p>
	<p>Where relevant, the levels of service that are provided by comparator organisations</p>	●	<p>The Xoserve Efficiency review provides a comparison of Xoserve's performance against other comparable organisations</p>	<p>None</p>

Outputs are mostly compliant. There is an opportunity to improve reporting of how continuous improvement will be delivered (2/2)

Outputs (2/2)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<i>The CDSP shall propose commitments that:</i>	Reflect the services that Customers and consumers require;	●	Annexe 1.4 (Outputs)	None
	Are as complete as possible in capturing the activities and Costs of the CDSP	●	Annexe 1.4 (Outputs) and Annexe 1.5 (Investments)	None
	Represent long-term value for Customers and consumers	●	Detail provided in the "Trust" chapter of the report, under the ERIX section	None
	Where relevant, allow comparison to outputs and outcomes delivered by comparator Organisations	●	Detail provided in the "Trust" chapter of the report, under the ERIX section	None
<i>Fully compliant (%)</i>		89%		
<i>Overall adjusted BPIR compliant (%):</i>		89%		

The Trident investment proposal is detailed with good BPIR compliance given the early stage in the investment timeline (1/3)

Project Trident is a multi-year program to migrate the UK-link service to the latest version of SAP systems, to enable stakeholders and customers to continue accessing and submitting data

Trident – Investments (1/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Explain why the Investment is needed	●	The Trident investment proposal builds the case for change and explains why the investment is needed based on the end of support for the current SAP ECC IS-U system	None
	Describe the drivers for the level of Investment and describe the drivers	●	The Trident investment proposal clearly mentions that the driver for change is the discontinuation of the SAP ECC IS-U system. In the Innovate section of BP25 and redacted information shared as part of the BPIR assurance process detail on the expected levels of investment is provided	Ensure the planned sessions to share the detailed redacted information with an appointed working group are held and inputs fed into the Trident proposal
	Describe the options considered for meeting Customers' and consumers' needs over the medium- to long-term and the outputs that are associated with each option	●	The Trident investment proposal provides a detailed option analysis that covers the variety of actions that Xoserve can take to upgrade the system	None
	Describe the approach for comparing investment options	●	The Trident investment proposal provides a clear approach to compare the options anchored in following Treasury Green Book methodology	None
	State any underlying assumptions and describe inputs	●	The Trident investment proposal notes key assumptions and inputs across multiple topics	None
	Explain why the preferred option was selected and why other options were discounted, including the reasoning and the assessment against selection criteria	●	Although the Trident investment proposal gives reasoning on why options A and B are not suitable, it does not provide further details on which option is the preferred one. This is because a decision has not been made yet. Given the stage in investment timeline it would not be possible to be fully compliant at this stage	Ensure further detail is captured in the Outline Business Case (OBC) and included in BP26

The Trident investment proposal is detailed with good BPIR compliance given the early stage in the investment timeline (2/3)

Project Trident is a multi-year program to migrate the UK-link service to the latest version of SAP systems, to enable stakeholders and customers to continue accessing and submitting data

Trident – Investments (2/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Describe in detail any impacts on service and performance during delivery, the risks associated with delivery and the proposed approaches to mitigating those risks	●	The Trident investment proposal provides the impact on service of each of the options by assessing the weaknesses and strengths. Risks and mitigations for a successful delivery are captured in the management case section	None
	Demonstrate that the proposed Investment represents value for money for Customers and consumers	●	While the Trident investment proposal provides a framework for Value for Money there is limited evidence on why ~£9m is the right investment amount in the first full year of the programme. Further information is available through the redacted information we have been provided	Provide further information on the level of resourcing to support the activities in BP25 Year Y, including the pros and cons of that level of resourcing. This could be covered in both the BP25 core documentation, investment proposal and through the proposed working group session
	Present the expenditure profile	●	At this point the project is not sufficiently developed to provide a detailed view on expenditure, however the redacted information provided for the assurance showed efforts have been taken to understand the expected resource / expenditure profile	Provide further information on the level of resourcing to support the activities in BP25 Year Y. This could be covered in both the BP25 core documentation, investment proposal and through the proposed working group session
	Explain how the Costs to be recovered will be allocated to Customer Classes and justify the proposed allocation	●	The financial case in the Trident investment proposal provides a clear framework starting in BP26 to allocate funds	None
	Explain the reason(s) if any of the associated Costs will not be categorised as Investment Costs	●	This is an Investment	Confirm in documentation no impact on S&O in the BP period

The Trident investment proposal is detailed with good BPIR compliance given the early stage in the investment timeline (3/3)

Project Trident is a multi-year program to migrate the UK-link service to the latest version of SAP systems, to enable stakeholders and customers to continue accessing and submitting data ⁱ

Trident – Cost benefit analysis (3/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>Each Investment proposal must be accompanied by a cost-benefit analysis (CBA). The CDSP shall use the CBA as a robust decision support tool in conjunction with other appropriate means of justifying the proposed Investment and the selection of the preferred option. Each CBA must include:</i></p>	The detailed methodology	●	The Trident investment proposal does not provide a detailed CBA across options. At this stage of the Trident project it is deemed not possible for Xoserve to be compliant on this, however a framework on assessing each option could be presented`	Standardize the methodology to carry out CBA across all investment proposals and make sure that is applied
	Evidence of a structured approach to identifying and developing options	●	The Trident investment proposal shows a clear evidence of a structured approach to assessing options. However, this is still a work progress and needs to be refined and completed	None
	The “Do Nothing” option and, where relevant, the “Deferral” option	●	The Trident investment proposal presents Option #1 as the “Do nothing” option	None
	The value of each option across a range of plausible scenarios and sensitivities	●	(Across investment proposals) no systematic use of scenarios or sensitivity analysis	Build a clearer approach on setting and evaluating scenarios
	The outputs that would be delivered by each option	●	Each option in the Trident investment proposal clearly reports the outputs along with the strengths and weaknesses of each	None
	An explanation and the supporting analysis of how the preferred option was selected and why the other options were considered less beneficial	●	The Trident investment proposal clearly provides evidence of options assessment	None
	The risks, costs and benefits that have not been considered or monetised as part of the analysis; and assumptions, inputs, calculations and results	●	The assessment provides the risks and mitigations for the delivery of the program in a good level for the current stage in the investment timeline	None
<i>Fully compliant (%)</i>		72%		
Overall adjusted BPIR compliant (%):		81%		

The CDSP services development investment proposal has an adjusted compliance score of 82% (1/3)

The CDSP Services Development investment is aimed at ensuring that Xoserve has the right capability to react to any future policy or known events, and aims to do this through 3 initiatives focused on Data and digitalization strategy, open data capabilities, and service development

CDSP services Development – Investments (1/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Explain why the Investment is needed	●	The CDSP services development investment proposal states the need and purpose of the investment in the "recommended solution" section	None
	Describe the drivers for the level of Investment and describe the drivers	●	Drivers are clearly stated in the table in the cost driver section of the CDSP services investment proposal	None
	Describe the options considered for meeting Customers' and consumers' needs over the medium- to long-term and the outputs that are associated with each option	●	The CDSP services development investment proposal explains the purpose of the investment and the initiatives it intends to use the funding but does not compare options as the projects are not yet defined. This BPIR would not be possible to be fully compliant at this stage	Ensure the outputs of the proposed work are presented in DSC Change Management and Contract Committees and any specific investments defined in future investment proposals
	Describe the approach for comparing investment options	●	A clear comparison approach was not provided due to the difficulty of assessing unknown projects. This BPIR would not be possible to be fully compliant at this stage	None
	State any underlying assumptions and describe inputs	●	Assumptions and inputs are not provided due to the stage in the investment process	None
	Explain why the preferred option was selected and why other options were discounted, including the reasoning and the assessment against selection criteria	●	The Investment proposal is not focused on providing the different options as the projects are yet to be decided	None

The CDSP services development investment proposal has an adjusted compliance score of 82% (2/3)

The CDSP Services Development investment is aimed at ensuring that Xoserve has the right capability to react to any future policy or known events, and aims to do this through 3 initiatives focused on Data and digitalization strategy, open data capabilities, and service development

CDSP services Development – Investments (2/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Describe in detail any impacts on service and performance during delivery, the risks associated with delivery and the proposed approaches to mitigating those risks	●	The CDSP services development investment proposal describes the risk associated with not going forward with the investment in the discounted options section	None
	Demonstrate that the proposed Investment represents value for money for Customers and consumers	●	Value for Money cannot be fully quantified, however benefits of the investment are clearly stated and the investment proposal recognizes the difficulty to quantify the RoI for unknown projects	None
	Present the expenditure profile	●	The expenditure profile is covered in the CDSP services development investment proposal	None
	Explain how the Costs to be recovered will be allocated to Customer Classes and justify the proposed allocation	●	The CDSP services development investment proposal provides a clear split of costs and allocation of funding	None
	Explain the reason(s) if any of the associated Costs will not be categorised as Investment Costs	●	This is an investment	Confirm in documentation no impact on S&O in the BP period

The CDSP services development investment proposal has an adjusted compliance score of 82% (3/3)

The CDSP Services Development investment is aimed at ensuring that Xoserve has the right capability to react to any future policy or known events, and aims to do this through 3 initiatives focused on Data and digitalization strategy, open data capabilities, and service development

CDSP services Development – Cost benefit analysis (3/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>Each Investment proposal must be accompanied by a cost-benefit analysis (CBA). The CDSP shall use the CBA as a robust decision support tool in conjunction with other appropriate means of justifying the proposed Investment and the selection of the preferred option. Each CBA must include:</i></p>	The detailed methodology	●	CBA is not performed as it the investment proposal does not fully evaluate investment activities. Compliance would not be possible at this stage	Standardize the methodology to carry out CBA across all investment proposals and make sure that is applied
	Evidence of a structured approach to identifying and developing options	●	The proposal provides an approach on how Xoserve aims to progress with Data and Digitalisation agenda, and also provides a clear and detailed breakdown of cost. However, the IP does not compare different options as the projects are not yet known	Define an initial framework to be used for the comparison of options and assessment of CBA across options
	The “Do Nothing” option and, where relevant, the “Deferral” option	●	The proposal states the risks associated with not going forward with the investment which is assumed to be equivalent to “Do Nothing” option	None
	The value of each option across a range of plausible scenarios and sensitivities	●	Scenarios and sensitivities modelling is not conducted. This would not be feasible at this stage for this investment request	Build a clearer approach on setting and evaluating scenarios
	The outputs that would be delivered by each option	●	Proposal provides a clear scope and outputs section for each of the initiatives it plans on undertaking	None
	An explanation and the supporting analysis of how the preferred option was selected and why the other options were considered less beneficial	●	Detailed analysis comparing options is not presented in the investment proposal	None
	The risks, costs and benefits that have not been considered or monetised as part of the analysis; and assumptions, inputs, calculations and results	●	A summary view on risks, costs and benefits is provided	Consider providing a more detailed view of risks and benefits vs. the do-nothing option
Fully compliant (%)		50%		
Overall adjusted BPIR compliant (%):		82%		

The Digital UX investment proposal is mostly compliant with the BPIR with adjusted compliance score of 75% (1/3)

Digital UX is an investment that aims to address customer feedback regarding the digital experience, communications strategy, and data driven insights and intelligence.

Digital UX – Investments (1/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Explain why the Investment is needed	●	The Digital UX investment proposal clearly states the needs for the investment which are centred around solving the feedback received by the clients around the communications, digital experience, and analytics to ultimately lead to more efficiency and a win-win situation for all stakeholders.	None
	Describe the drivers for the level of Investment and describe the drivers	●	Xoserve state that the cost drivers are commercially sensitive and could not be fully shared, however have been provided in a non-redacted version for the assurance activities. The Investment proposal notes the intention that these are shared with a working group in a dedicated briefing at a later date	Review whether some of the detail on drivers for the level of investment can be provided without revealing any commercially sensitive data. Ensure the planned sessions to share the detailed redacted information with an appointed working group are held
	Describe the options considered for meeting Customers' and consumers' needs over the medium-to long-term and the outputs that are associated with each option	●	The Digital UX investment proposal provides the needs of the customers and the metrics that can be measured to understand and quantify the impact of the investment. (E.g. Estimated time saving per activity)	None
	Describe the approach for comparing investment options	●	The Digital UX investment proposal provides a summary option section where it provides the assessment of the different options based on criteria (scope, outputs, cost, impact on S&O, VfM, Risk, benefits, etc..) and provides the approach used to compare the investment options.	None
	State any underlying assumptions and describe inputs	●	The Digital UX investment proposal clearly defines the requirements/inputs needed for each option, and provides a set of assumptions used across each	None

The Digital UX investment proposal is mostly compliant with the BPIR with adjusted compliance score of 75% (2/3)

ⁱ Digital UX is an investment that aims to address customer feedback regarding the digital experience, communications strategy, and data driven insights and intelligence.

Digital UX – Investments (2/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Explain why the preferred option was selected and why other options were discounted, including the reasoning and the assessment against selection criteria	●	The Digital UX investment proposal states the preferred option and how it provides the most opportunities to optimise and enhance the CDSP delivery for the future	None
	Describe in detail any impacts on service and performance during delivery, the risks associated with delivery and the proposed approaches to mitigating those risks	●	The Digital UX investment proposal provides risks are provided for each option, however the risks are of limited detail (which is reasonable pre solution design in being in place) and mitigating actions for these risks are missing	Add further detail on risk mitigation. Ensure risks are detailed once solution design in place
	Demonstrate that the proposed Investment represents value for money for Customers and consumers	●	The value for money delivery is stated in the Digital UX investment proposal and tied back to the Xoserve VfM framework of 5Es	None
	Present the expenditure profile	●	The expenditure profile by option has not been provided in detail for every month as the procurement tender is still in progress. This would not be possible to be compliant on at this point in the process	Update with expenditure profile on completion of the procurement activity
	Explain how the Costs to be recovered will be allocated to Customer Classes and justify the proposed allocation	●	The Digital UX investment proposal provides a split funding across the different parties based on the Budget and Charging methodology	None
	Explain the reason(s) if any of the associated Costs will not be categorised as Investment Costs	●	This is an investment	Confirm in documentation no impact on S&O in the BP period

The Digital UX investment proposal is mostly compliant with the BPIR with adjusted compliance score of 75% (3/3)

Digital UX is an investment that aims to address customer feedback regarding the digital experience, communications strategy, and data driven insights and intelligence.

Digital UX – Cost benefit analysis (3/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>Each Investment proposal must be accompanied by a cost-benefit analysis (CBA). The CDSP shall use the CBA as a robust decision support tool in conjunction with other appropriate means of justifying the proposed Investment and the selection of the preferred option. Each CBA must include:</i></p>	The detailed methodology	●	The Digital UX investment proposal lacks a clear methodology for the CBA	Standardize the methodology to carry out CBA across all investment proposals and make sure that is applied
	Evidence of a structured approach to identifying and developing options	●	Each option has been clearly detailed out against a set of criteria in the Digital UX investment proposal	None
	The “Do Nothing” option and, where relevant, the “Deferral” option	●	The "Do Nothing" option has been included in the Digital UX investment proposal as option 3	None
	The value of each option across a range of plausible scenarios and sensitivities	●	A scenario and sensitivities modelling was not provided for each option	Build a clearer approach on setting and evaluating scenarios
	The outputs that would be delivered by each option	●	The expected outputs to be delivered are stated in the solution section of the Digital UX investment proposal, along with a timeline of when the solutions can be expected to be delivered	None
	An explanation and the supporting analysis of how the preferred option was selected and why the other options were considered less beneficial	●	A clear explanation of how the preferred option was selected is included in the summary options section of the Digital UX investment proposal	None
	The risks, costs and benefits that have not been considered or monetised as part of the analysis; and assumptions, inputs, calculations and results	●	While risks, assumptions, and capability requirements have been provided for each option at a high level, but not feasible for them to be detailed pre solution design	Provide update once solution design complete
<i>Fully compliant (%)</i>		67%		
Overall adjusted BPIR compliant (%):		75%		

The UKL Sustain investment proposal is mostly compliant with the BPIR with adjusted compliance score of 76% (1/3)

UK Link Sustain program is a 3 years investment into the maintenance of the UK Link platform and ensures that the UKL platform provides a reliable and secure operational environment until project Trident is fully rolled out

UKL Sustain – Investments (1/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Explain why the Investment is needed	●	The UKL Sustain investment proposal provides a view of the need for the investment in the executive summary	None
	Describe the drivers for the level of Investment and describe the drivers	●	Drivers are fully described, with the level of investment drivers detailed out in the itemised table in the UKL Sustain investment proposal	None
	Describe the options considered for meeting Customers' and consumers' needs over the medium- to long-term and the outputs that are associated with each option	●	The UKL Sustain investment proposal provides a description of the customers' needs for the UK link platform across efficiency, innovation, risk avoidance, and opportunity. The outputs of each option considered reported in the relevant section	None
	Describe the approach for comparing investment options	●	The options summary section does not provide an explanation on a comparison approach. However, it states that there are 2 options considered and describes the reason for the 2nd option being a sustain option	Provide a clear approach that clearly defines the criteria used for the comparison, ideally adopt a standardized approach and criteria across investment proposals

The UKL Sustain investment proposal is mostly compliant with the BPIR with adjusted compliance score of 76% (2/3)

UK Link Sustain program is a 3 years investment into the maintenance of the UK Link platform and ensures that the UKL platform provides a reliable and secure operational environment until project Trident is fully rolled out

UKL Sustain – Investments (2/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	State any underlying assumptions and describe inputs	●	All assumptions and inputs required are captured in the solution options in the UKL sustain investment proposal. All capability requirements are assumed to be inputs.	None
	Explain why the preferred option was selected and why other options were discounted, including the reasoning and the assessment against selection criteria	●	The UKL Sustain investment proposal provides a clear option summary and details out the customer impact and benefits of each option	Link the preferred choice to a clearer assessment framework
	Describe in detail any impacts on service and performance during delivery, the risks associated with delivery and the proposed approaches to mitigating those risks	●	The UKL Sustain investment proposal provides a view of the key risks but cannot detail those and the proposed mitigation until closer to release, which is reasonable given the current stage of the proposal	Provide an update once solution design is clarified
	Demonstrate that the proposed Investment represents value for money for Customers and consumers	●	The UKL Sustain investment proposal provides a clear value for money for customers related to reliable service and preparation for future re-platforming	None
	Present the expenditure profile	●	The UKL Sustain investment proposal provides an expenditure profile by option, including monthly for opt 2	None
	Explain how the Costs to be recovered will be allocated to Customer Classes and justify the proposed allocation	●	Funding allocation across key stakeholders is based on the Budget and Charging methodology	None
	Explain the reason(s) if any of the associated Costs will not be categorised as Investment Costs	●	All UKL Sustain investments are considered investments	None

The UKL Sustain investment proposal is mostly compliant with the BPIR with adjusted compliance score of 76% (3/3)

UK Link Sustain program is a 3 years investment into the maintenance of the UK Link platform and ensures that the UKL platform provides a reliable and secure operational environment until project Trident is fully rolled out

UKL Sustain – Cost benefit analysis (3/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>Each Investment proposal must be accompanied by a cost-benefit analysis (CBA). The CDSP shall use the CBA as a robust decision support tool in conjunction with other appropriate means of justifying the proposed Investment and the selection of the preferred option. Each CBA must include:</i></p>	The detailed methodology	●	Costs and Benefits are assessed in the UKL Sustain investment proposal but not in a detailed methodology	Standardize the methodology to carry out CBA across all investment proposals and make sure that is applied
	Evidence of a structured approach to identifying and developing options	●	The UKL Sustain investment proposal provides a structured approach to develop and prioritize the options	None
	The “Do Nothing” option and, where relevant, the “Deferral” option	●	The UKL Sustain investment proposal evaluates two options, where the 1st option considers the "Do nothing" option	None
	The value of each option across a range of plausible scenarios and sensitivities	●	The scenario and sensitivities modelling for each option is missing	Build a clearer approach on setting and evaluating scenarios
	The outputs that would be delivered by each option	●	The UKL Sustain investment proposal provides the set of outputs for each option	None
	An explanation and the supporting analysis of how the preferred option was selected and why the other options were considered less beneficial	●	The UKL Sustain investment proposal provides an explanation on picking option 2 versus option 1 ("Do nothing"), with explanation	None
	The risks, costs and benefits that have not been considered or monetised as part of the analysis; and assumptions, inputs, calculations and results	●	While the IP provides a clear view on the risks and assumptions taken, it does not provide a quantitative cost analysis to describe the not considered risks and assumptions	None
<i>Fully compliant (%)</i>		72%		
Overall adjusted BPIR compliant (%):		76%		

The General change investment proposal is complex to address against the BPIR's given it is a draw down request (1/3)

General change is an annually reviewed investment that ensure that Xoserve can develop and deliver agreed changes to systems, processes, and services provided to DSC customers.

General Change – Investments (1/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Explain why the Investment is needed	●	The strategic theme and the requirements sections of the General Change investment proposal state the need for investment	None
	Describe the drivers for the level of Investment and describe the drivers	●	The requirement section of the General Change investment proposal describes the drivers behind this investment by stating the purpose of the investment being (i) to enable resources and funds to be reserved, and (ii) reduce any avoidable delay in developing and delivering change. The level of investment is sized based on historical levels of funding	None
	Describe the options considered for meeting Customers' and consumers' needs over the medium- to long-term and the outputs that are associated with each option	●	As the request is to secure a budget for future as yet defined projects, options cannot be detailed. This is reasonable given the nature of the request. Documentation points towards how the DSC change management committee and process will manage approvals in due course	None
	Describe the approach for comparing investment options	●	The General Change investment proposal assesses one option in detail and provides reasons for the non-viable alternative option. Further assessment of options could be done around a draw down versus no draw down options. The No draw down case would benefit from a clear articulation of pros and cons versus the selected case	Clarify the draw down versus no draw down options, and provide a clear articulation of pros and cons versus the selected case

The General change investment proposal is complex to address against the BPIR's given it is a draw down request (2/3)

General change is an annually reviewed investment that ensure that Xoserve can develop and deliver agreed changes to systems, processes, and services provided to DSC customers.

General Change – Investments (2/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	State any underlying assumptions and describe inputs	●	The General Change investment proposal considers the capability requirements in the approach and provides the assumptions used	None
	Explain why the preferred option was selected and why other options were discounted, including the reasoning and the assessment against selection criteria	●	Only one solution (draw down option) is provided in the General Change investment proposal, and the alternative option is not considered viable so was excluded from the assessment	Provide a balanced view on if the draw down option is the optimal option in this regard
	Describe in detail any impacts on service and performance during delivery, the risks associated with delivery and the proposed approaches to mitigating those risks	●	The risks and mitigations foreseen are summarised in the General Change investment proposal, however not specific for projects as it is not yet defined. This is reasonable given the nature of the proposal	Provide further details on risks and mitigations as part of agreeing solution through the DSC change management committee
	Demonstrate that the proposed Investment represents value for money for Customers and consumers	●	While the General Change investment proposal outlines how Value for Money can be assessed it is not possible to at this point given the nature of the proposal	Provide further detail on how value for money is being assured as part of solution definition
	Present the expenditure profile	●	The General Change investment proposal provides a view on an indicative expenditure profile across the key initiatives, however as the projects are not yet defined detail cannot be provided at this point	None
	Explain how the Costs to be recovered will be allocated to Customer Classes and justify the proposed allocation	●	The proposal provides a clear allocation of costs across the key stakeholders	None
	Explain the reason(s) if any of the associated Costs will not be categorised as Investment Costs	●	The proposal clearly states that this investment will not have an impact on the S&O costs	None

The General change investment proposal is complex to address against the BPIR's given it is a draw down request (3/3)

General change is an annually reviewed investment that ensure that Xoserve can develop and deliver agreed changes to systems, processes, and services provided to DSC customers.

General Change – Cost benefit analysis (3/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>Each Investment proposal must be accompanied by a cost-benefit analysis (CBA). The CDSP shall use the CBA as a robust decision support tool in conjunction with other appropriate means of justifying the proposed Investment and the selection of the preferred option. Each CBA must include:</i></p>	The detailed methodology	●	The General Change investment proposal does not provide a detailed methodology to perform the CBA. This would not be possible at this stage, given the nature of the request	Standardize the methodology to carry out CBA across all investment proposals and make sure that is applied
	Evidence of a structured approach to identifying and developing options	●	Comparison of options is limited	The drawn down versus non-drawn down option could be examined
	The “Do Nothing” option and, where relevant, the “Deferral” option	●	The General Change investment proposal “Do nothing” approach is the no draw down alternative option, which was not fully assessed to the preferred option	The drawn down versus non-drawn down option could be examined
	The value of each option across a range of plausible scenarios and sensitivities	●	Scenarios and sensitivities modelling was not provided for each option	Build a clearer approach on setting and evaluating scenarios
	The outputs that would be delivered by each option	●	The outputs were provided in the General Change investment proposal	None
	An explanation and the supporting analysis of how the preferred option was selected and why the other options were considered less beneficial	●	The General Change investment proposal explained why it did not consider the alternative solution and provides detail on the preferred solution	None
	The risks, costs and benefits that have not been considered or monetised as part of the analysis; and assumptions, inputs, calculations and results	●	While the General Change investment proposal provides a view on the risks and assumptions, it does not provide a detailed examination. This would not be possible at this stage given the nature of the proposal	None
Fully compliant (%)		44%		
Overall adjusted BPIR compliant (%):		57%		

The Gemini investment proposal is is complex to address against the BPIR's given it is a draw down request (1/3)

The Gemini investment proposal is focused on ensuring that the Gemini system remains compliant, efficient, and capable of delivering high quality work, while also hitting all the KPMS/PIs and aligning to customer/consumer needs

Gemini – Investments (1/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	Explain why the Investment is needed	●	The Gemini investment proposal provides a detailed explanation of the need for investment, centred around efficiency, innovation, risk avoidance, and opportunity	None
	Describe the drivers for the level of Investment and describe the drivers	●	The Gemini investment proposal provides an explanation on the level of investment needed through the focus on Regulatory change in BP25 and then focusing on Maintain/Enhance and Data provision in the next 2 to 3 years	None
	Describe the options considered for meeting Customers' and consumers' needs over the medium- to long-term and the outputs that are associated with each option	●	The Gemini investment proposal highlights discussions held with National Gas and agreement that the focus should be on stability, so the only option to be explored is the regulatory change implementation in BP25. Although one option is being documented, the process that got Xoserve to that point is clear. Outputs associated with the options are continued investment and abiding by the KPM	None
	Describe the approach for comparing investment options	●	Detail on option comparison not provided in the Gemini investment proposal as it was decided pre-BP25 process to pursue a single option	Ensure clear options comparison criteria is in place ahead of BP26 where there will likely be options to consider across the 3 buckets of change. Consider the added value of a "Do nothing" option even if it is only to highlight the risk/benefit

The Gemini investment proposal is is complex to address against the BPIR's given it is a draw down request (2/3)

The Gemini investment proposal is focused on ensuring that the Gemini system remains compliant, efficient, and capable of delivering high quality work, while also hitting all the KPMS/PIs and aligning to customer/consumer needs

Gemini – Investments (2/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In accordance with Modification 0841, in the draft and final versions of the CDSP Budget, the CDSP shall clearly justify the need for each proposed Investment. For each proposed Investment, the CDSP shall:</i></p>	State any underlying assumptions and describe inputs	●	The Gemini Investment proposal does not detail assumptions	Identify assumptions related to the proposal, including ones that are known from or recur from previous years
	Explain why the preferred option was selected and why other options were discounted, including the reasoning and the assessment against selection criteria	●	The Gemini investment proposal provides an explanation on the need for the investment, and this serves as the justification of the "preferred" option	None
	Describe in detail any impacts on service and performance during delivery, the risks associated with delivery and the proposed approaches to mitigating those risks	●	Impacts on service and performance cannot be assessed at this stage of the proposal. These can be articulated through the Change Management Committee once scope is known	Ensure impacts on service and performance are shared during Change Management Committee
	Demonstrate that the proposed Investment represents value for money for Customers and consumers	●	The Gemini investment proposal is the 5Es framework will be followed to assess Value for Money but it is not possible to assess at this point given it is a draw down request	None
	Present the expenditure profile	●	The Gemini investment proposal provides an indicative expenditure profile, however it also states that the utilisation of budget will depend on the scope of projects as they become known	None
	Explain how the Costs to be recovered will be allocated to Customer Classes and justify the proposed allocation	●	The Gemini investment proposal states that the investment is 100% funded by National Gas	None
	Explain the reason(s) if any of the associated Costs will not be categorised as Investment Costs	●	The proposal states that the costs are investments	None

The Gemini investment proposal is complex to address against the BPIR's given it is a draw down request (3/3)

The Gemini investment proposal is focused on ensuring that the Gemini system remains compliant, efficient, and capable of delivering high quality work, while also hitting all the KPMS/PIs and aligning to customer/consumer needs

Gemini – Cost benefit analysis (3/3)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>Each Investment proposal must be accompanied by a cost-benefit analysis (CBA). The CDSP shall use the CBA as a robust decision support tool in conjunction with other appropriate means of justifying the proposed Investment and the selection of the preferred option. Each CBA must include:</i></p>	The detailed methodology	●	Cost Benefit Analysis methodology unable to be applied without specific detail of projects or releases that are being delivered	Standardize the methodology to carry out CBA across all investment proposals and make sure that is applied
	Evidence of a structured approach to identifying and developing options	●	Comparison of options is limited	Provide a more structured view to make sure we are testing the option space fully
	The “Do Nothing” option and, where relevant, the “Deferral” option	●	The "Do nothing" option was not provided in the Gemini investment proposal	Provide a "Do nothing" option, as there is value in assessing if there is a better value / risk trade off
	The value of each option across a range of plausible scenarios and sensitivities	●	Scenarios and sensitivities modelling was not provided in the Gemini investment proposal	Build a clearer approach on setting and evaluating scenarios
	The outputs that would be delivered by each option	●	Clear output focused on continued investment and maintenance and hitting the KPIs/KPMS	None
	An explanation and the supporting analysis of how the preferred option was selected and why the other options were considered less beneficial	●	The Gemini investment proposal clearly explains the preferred option, as previous discussions with National Gas have resulted in a clear focus on Regulatory change in BP25 and Maintain/Enhance and data provision in BP26 and BP27	None
	The risks, costs and benefits that have not been considered or monetised as part of the analysis; and assumptions, inputs, calculations and results	●	While the Gemini investment proposal provides a clear view on the risks and assumptions taken, it does not provide a quantitative cost analysis to describe the not considered risks and assumptions	None
Fully compliant (%)		44%		
Overall adjusted BPIR compliant (%):		67%		

Costs and expenditures in draft 1 of BP25 are fully compliant with BPIR (1/2)

Costs and expenditure (1/2)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In the draft and final versions of the CDSP Budget, the CDSP shall include the details of the resources needed to deliver all proposed activities and commitments by the end of Year Y. The CDSP shall:</i></p>	State the value of the total expenditure required to deliver CDSP Services regardless of the extent to which the expenditure is treated as Costs	●	Detailed in “Trust” section under TOTEX	None
	Clearly set out the key drivers of Costs	●	Detailed in “Trust” section (S&O split out) and investment proposals in Annexe 1.6	None
	Explain its Costs, resources and workload forecasts, particularly where these diverge from historical trends	●	Detailed in “Trust” section, esp. in relation to drivers of increasing costs from Trident investment	None
	Present the Costs, resources and workload forecasts at a detailed level, including differentiating between ‘internal’ and ‘external’ Costs and resources, and compare the forecasts to historical data	●	Annexe 1.4 (Outputs) presents comparison of historic workload drivers to forecast, with detailed cost breakdowns detailed in “Trust” section	None
	Justify the proposed combination of ‘internal’ and ‘external’ resources	●	Detailed in Annexe 1.6 (Cost and Expenditure)	None
	Explain in detail the activities it has undertaken to satisfy itself that the ‘external’ Costs are efficient and represent value for money	●	Detailed in “Trust” section which describes the efficiency review conducted in 2023 and subsequent ERIX programme	None
	Explain how efficiency and innovation will be used to reduce Costs	●	Detailed in “Trust” section which describes the efficiency review conducted in 2023 and subsequent ERIX programme	None
	Present expenditure profiles	●	Described in Annexe 1.6 (Cost and Expenditure)	None

Costs and expenditures in draft 1 of BP25 are fully compliant with BPIR (2/2)

Costs and expenditure (2/2)

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<i>In the draft and final versions of the CDSP Budget, the CDSP shall demonstrate that the level of resources it proposes are required to all proposed activities and commitments are efficient. The CDSP Budget must include:</i>	A comparison of efficiency forecasts against efficiency gains realised in previous periods	●	Described in the ERIX content in "Trust" section	None
	A description of how the CDSP sought to identify efficiencies	●	Described in the ERIX content in "Trust" section	None
	Evidence of the efficiency of the proposed expenditure, for example as compared to historical benchmarks and/or benchmarking with relevant comparators including other monopoly service providers	●	Described in the ERIX content in "Trust" section	None
	Justification for the relevant comparators selected	●	Described in the ERIX content in "Trust" section and the efficiency review materials from 2023	None
	Details of the assumptions and the justification for projected changes in the efficient levels of unit costs over time (i.e. ongoing efficiencies) caused by improvements in delivery, innovation, procurement, etc.	●	Described in the ERIX content in "Trust" section	None
	An explanation of how any historical data has been used to derive efficiency forecasts, including a justification for the time period selected	●	Described in the ERIX content in "Trust" section	None
	An explanation of how the enduring effects from efficiencies generated from Investments have been included	●	Described in the ERIX content in "Trust" section	None
	An explanation of the interactions between ongoing efficiency forecasts and the quality of Outputs	●	Described in the ERIX content in "Trust" section	None
<i>Fully compliant (%)</i>		100%		
<i>Overall adjusted BPIR compliant (%):</i>		100%		

The allocation of costs is fully compliant with BPIR

Allocation of costs

● Not compliant ● Partially compliant ● Fully compliant

BPIR	BPIR questions	Compliance	Comments	Recommendation
<p><i>In the draft and final versions of the CDSP Budget, the CDSP shall present and justify the allocation of Costs to Customer Classes for each item (e.g. CDSP Service or Investment). For each item, the CDSP Budget must include:</i></p>	The methodology used to derive the allocation	●	The cost allocation methodology file explains in detail the approach followed to allocate the cost and the input/output required for the model to work	None
	The details of any assumptions	●	The budget and charging methodology clearly states the definitions and assumptions where applicable	None
	Descriptions of the data relied on to derive the allocation	●	The cost allocation methodology file states the inputs considered in the model, the calculations performed, and provides a comprehensive understanding of the output	None
<i>Fully compliant (%)</i>		100%		
Overall adjusted BPIR compliant (%):		100%		

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Detailed methodology

Dashboard Summary

Detailed assurance review

Appendix



Detailed summary of compliance across BPIR

Breakdown of compliance count across BPIR

	Total BPIR Rules	Total ADJUSTED BPIR rules	Count of Fully compliant	Count of Partially compliant	Count of Non compliant	% Fully compliant	% Partially compliant	% Non compliant	Adjusted Fully compliant %
Publication of material	8	4	4	0	4	50%	0%	50%	100%
Stakeholder engagement	7	5	5	2	0	71%	29%	0%	100%
Current performance	13	11	11	2	0	85%	15%	0%	100%
Outputs	9	9	8	1	0	89%	11%	0%	89%
Trident	18	16	13	4	1	72%	22%	6%	81%
CDSP Services Developments	18	11	9	7	2	50%	39%	11%	82%
Digital UX	18	16	12	5	1	67%	28%	6%	75%
UKL Sustain	18	17	13	4	1	72%	22%	6%	76%
General Change	18	14	8	8	2	44%	44%	11%	57%
Gemini	18	12	8	8	2	44%	44%	11%	67%
Costs and expenditure	17	17	17	0	0	100%	0%	0%	100%
Allocations of costs to customer classes	3	3	3	0	0	100%	0%	0%	100%
Overall	165	135	111	41	13	67%	25%	8%	82%

Thank you

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