

Figure 1: 2021/22 Budget vs. 2022/23 Budget

Category	2021/22 Budget (announced January 2021)			2022/23 Budget (January 2022)			Variance	
	Budget (£m)	Volume & com- plexity driven (£m)	Volume driven (£m)	Budget (£m)	Control- lable costs (£m)	Volume & com- plexity driven (£m)	Total (£m)	Total (%)
Outsourced claims handling	21.8	-	21.8	21.7	-	21.7	(0.1)	(0.5%)
Internal claims processing	15.8	5.6	10.3	18.9	6.3	12.6	3.0	19%
Core support: IT, facilities, central services	31.9	31.1	0.8	33.7	31.1	2.6	1.8	5%
Claims handling infrastructure and support subtotal	69.5	36.7	32.8	74.2	37.4	36.8	4.7	7%
Funding readiness total	8.2	8.2	-	8.0	8.0	-	(0.2)	(2%)
Consumer protection	0.9	0.9	0.1	0.9	0.9	-	-	-
Depositor protection	3.4	3.2	0.2	3.5	3.5	-	0.1	3%
Recoveries	2.6	2.3	0.3	3.0	3.0	-	0.4	15%
Investment / change	4.0	4.0	-	4.0	4.0	-	-	-
Pension deficit funding	1.9	1.9	-	1.9	1.9	-	-	-
Protection, recoveries, investment & pension deficit subtotal	12.8	12.3	0.6	13.3	13.3	-	0.5	4%
Total management expenses	90.5	57.2	33.4	95.5	58.7	36.8	5.0	5%