Annex D: Model map representation of the modelling

OUTPUT

10 year NET present value of UC

annual steady state impact of UC (net of DEL)

price uprating & discounting

Total value of increased employment in UC

Fraud and Error savings in UC

Redistribution value of transfer payments

ASSUMPTIONS & JUDGEMENTS

adjusted Financial incentive impacts

NHS impacts from employment

distributive value

adjustments & judgements of
-Employment under 16 hours
-labour supply at 16hrs
-exclusions

social welfare weights (Green book)

framework guidance (the Green book & DWP SCBA framework)

TRANSFORMATION & CALCULATIONS

Conditionality

Simplicity & Smoothing

Financial incentives

wages & employer NICS

impacts on the income distribution from:

Take-up

entitlement

Sensitivity to earnings

DWP Fraud & Error model

NET MARGINAL UC DEL COSTS

modelling of benefit entitlement rules in legacy and UC

other DWP models TP, GP,

INPUTS

DEL assumptions (Digital cost model)

UC Rollout (INFORM model)

Income and earnings data (FRS)

Evidence on work incentives (academic research)

Evidence on non financial incentives (DWP pilot and trial evidence)