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# **Central Government Supply Estimates 2019-20**

## **Statement of Excesses**

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## **Late Statement of Excesses**

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February 2021



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for the year ending 31 March 2020

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for the year ending 31 March 2019

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*Presented to the House of Commons by Command of Her Majesty*

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## Introduction

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### Excesses

1. This Statement of Excesses sets out the amounts that the Government requests Parliament to grant in Excess Votes for central government departments.
2. Excess Votes are presented if expenditure exceeds the amounts, or falls outside the categories of expenditure (the 'ambit') approved by Parliament in the Main, Revised and Supplementary Estimates and authorised in Supply and Appropriation Acts.
3. Before any Excess Votes are sought, the Annual Report and Accounts are prepared by the relevant department or body. The accounts are examined and certified by the Comptroller and Auditor General and laid before the House of Commons. A report by the Comptroller and Auditor General is made on any such accounts where expenditure exceeds the amounts, or falls outside the categories of expenditure, authorised by Parliament. Where sufficient savings or surplus income are available to be used to offset the excess expenditure, the Excess Votes is for only a token sum of £1,000.
4. A Statement of Excesses is usually presented to Parliament towards the end of the financial year following the one to which it relates.
5. Under House of Commons Standing Orders, if the Committee of Public Accounts (PAC) has reported that it sees no objection to the sums necessary being provided by Excess Vote, the question on the motion to approve them is put to the House without debate. Authorisation of additional resources and issues from the Consolidated Fund in respect of Late Excess Votes for 2018-19 and Excess Votes for 2019-20 in this booklet will be given legislative authority in the upcoming Supply and Appropriation (Anticipation and Adjustments) Act.

### Excesses 2019-20 and Late Excesses 2018-19

6. Following the Clear Line of Sight reforms introduced in 2011-12, Parliament votes, as necessary, amounts for the relevant budget boundaries (e.g. Resource Departmental Expenditure Limit, Capital Departmental Expenditure Limit, Resource Annually Managed Expenditure, Capital Annually Managed Expenditure, Non-budget Expenditure) and the net cash requirement.
7. An 'ambit' sets out the full list of activities upon which income will be generated, or expenditure incurred, within the relevant budgetary control in each Estimate. From 2011-12 (under the CLoS reforms), once an ambit has been approved by Parliament and included in the Supply and Appropriation Act it can only have descriptions of functional activities added at the end of the existing ambit detail. Additions to the ambit made in the Supplementary Estimate are identified by an asterisk (\*). Additions to the ambit made in this Excesses publication are identified by a double asterisk (\*\*).
8. The Part I sections shows the net total amount of Excess Votes for 2018-19 and 2019-20. Part II provides an explanation of the reasons for each of the excesses. Part III provides the detail for each of the Estimates concerned.
9. This document includes 'Late Excesses' from 2018-19 because the required 'Excess votes 2018-19' publication from the Committee of Public Accounts wasn't published in time to be included in the Supply and Appropriation (Anticipation and Adjustments) Act 2020.

## Late Excesses, 2018-19

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### Part I: Summary of the amount to be voted, 2018-19

	£
	Amount to be voted
<b>Total Departmental Expenditure Limit</b>	
Resource	231,000
Capital	0
<b>Total Annually Managed Expenditure</b>	
Resource	311,862,000
Capital	0
<b>Total Net Budget</b>	
Resource	312,093,000
Capital	0
<b>Total Non-budget Expenditure</b>	0
<b>Total Net Cash Requirement</b>	0

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STATEMENT of the amounts required to be voted in order to make good excesses for the year ended 31 March 2019

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TREASURY CHAMBERS

JESSE NORMAN

February 2021

## Part II: Explanations, 2018-19

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### Northern Ireland Office

1. The Northern Ireland Office breached its Resource Departmental Expenditure Limit by £231,000. For the period up to 31 March 2019 the Northern Ireland Office identified additional costs incurred, but unbilled, in respect of engaging legal counsel. It had not requested cover for these costs in the Supplementary Estimate, causing it to exceed its Resource Departmental Expenditure Limit by £231,000 for the year.
2. The Northern Ireland Office also breached its Resource Annually Managed Expenditure Limit by £785,000. Towards the end of the financial year the Crown Solicitor's Office advised that it was probable the Northern Ireland Office had liabilities to compensate individuals, before the end of the financial year, in respect of unlawful stop and searches between 2009 and 2013, resulting in the Department having to recognise liabilities of £509,000 for which it had no budgetary cover. In addition, the Comptroller & Auditor General's audit found that the Northern Ireland Office had not established a provision of £306,000 in respect of restructuring costs of the Chief Electoral Officer for Northern Ireland. The Northern Ireland Office had not requested cover for these liabilities in the Supplementary Estimate, causing it to exceed its Resource Annually Managed Expenditure Limit by £785,000 for the year. The Northern Ireland Office has accepted responsibility for the mistakes which led to the breaches of both the Annually Managed Expenditure and Departmental Expenditure limits, and set out the steps taken to address the issues and minimise the risk of a recurrence.
3. Parliamentary authority is sought to provide for the excess expenditure by an Excess Vote.

### Department for Education

4. The Department for Education breached its Resource Annually Managed Expenditure Limit by £311,077,000. This was a result of inaccurate forecasting assumptions made by the Department about inflation, which meant its income from effective interest on student loans turned out to be lower than expected. The Department's effective interest income from student loans is the major determinant of its Resource Annually Managed Expenditure Limit, and its calculation of this income is based on expectations about the future rate of inflation. The Department made assumptions about the future inflation rate based on forecasts from the Office for Budget Responsibility, which set out a range of inflation forecasts relating to different economic scenarios. However, the forecasting assumptions that the Department made proved to be incorrect, resulting in lower than expected income from student loans effective interest and a consequent breach of its spending limit. The Department has given us a commitment to not repeating the mistake in future.
5. Parliamentary authority is sought to provide for the excess expenditure by an Excess Vote.

## Part III: Late Excesses by Department, 2018-19

### Northern Ireland Office

		£
	Excess	Amount to be Voted
<b>Departmental Expenditure Limit</b>		
Resources		
Excess Expenditure	231,000	231,000
Capital	0	0
<b>Annually Managed Expenditure</b>		
Resources		
Excess Expenditure	785,000	785,000
Capital	0	0
<b>Total Net Budget</b>		
Resources	1,016,000	1,016,000
Capital	0	0
<b>Non-budget Expenditure</b>	0	0
<b>Net Cash Requirement</b>	0	0

Excess amounts required in the year ended 31 March 2019 for expenditure by the Northern Ireland Office on:

#### Departmental Expenditure Limit:

##### Expenditure arising from:

Overseeing the effective operation of the devolution settlement in Northern Ireland and representing the interests of Northern Ireland within the UK Government. Expenditure on administrative services, Head of State related costs, VIP visits to Northern Ireland, NI Human Rights Commission and other Reviews and Commissions arising from the Good Friday Agreement, the Northern Ireland Act 1998, the Northern Ireland Act 2000, the Northern Ireland Act 2009, political development and inquiries, the Electoral Office for Northern Ireland, elections and boundary reviews, legal services, security, victims of the Troubles including the work of the Independent Commission for the Location of Victims' Remains, arms decommissioning, parading, Civil Service Commissioners, the Independent Reporting Commission, compensation schemes under the Justice and Security (Northern Ireland) Act 2007 and Terrorism Act 2000 and certain other grants. Expenditure arising from the Stormont House Agreement, the Fresh Start Agreement. Expenditure on arrangements for the running of Hillsborough Castle. This will include associated depreciation and any other non-cash costs falling in DEL.

##### Income arising from:

Recoupment of electoral expenses, receipts from the use of video conferencing facilities, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts, recovery of compensation paid, recoupment of grant funding, costs and fees awarded in favour of the crown and receipts arising from arms decommissioning. Fees and costs recovered or received for the use of the NIO estate. Contributions from third parties to fund grant programmes and monies from other departments to fund projects in Northern Ireland.

**Annually Managed Expenditure:**

Expenditure arising from:

\* Change in provisions.

**Non-Budget Expenditure:**

Expenditure arising from:

Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998, Northern Ireland Act 2000 and the Northern Ireland Act 2009. Grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

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## Department for Education

£

	Excess	Amount to be Voted
<b>Departmental Expenditure Limit</b>		
Resources	0	0
Capital	0	0
<b>Annually Managed Expenditure</b>		
Resources		
Excess Expenditure	311,077,000	311,077,000
Capital	0	0
<b>Total Net Budget</b>		
Resources	311,077,000	311,077,000
Capital	0	0
<b>Non-budget Expenditure</b>	0	0
<b>Net Cash Requirement</b>	0	0

Excess amounts required in the year ended 31 March 2019 for expenditure by the Department for Education on:

### Departmental Expenditure Limit:

#### Expenditure arising from:

Primary, secondary, tertiary and international education, including the purchase and development of land and buildings in support of the academies and free schools programme. Grants to academies and free schools and loans to academies.

The provision of financial and other support for students and trainees including grants, allowances, access funds, loans and their repayment. Loans to students and support for students through Local Authorities. The cost of sales of the student loan debt and the cost of servicing the sold student loan debt. Reimbursement of fees for qualifying European Union students, post graduate awards, mandatory student awards, childcare and transport support and loans.

Children's services, including early years, Sure Start and safeguarding, welfare and young people's services.

Curriculum, qualifications and the inspection regime.

Schools Workforce development and reform.

Expenditure associated with social mobility policy.

Expenditure relating to the regulation of the social work profession and expenditure related to the regulation of the teaching profession.

Administering the Teachers' Pension Scheme (England and Wales), pension costs for voluntary services overseas (VSO) participants. Education-related payments, grants and loans to organisations in the public, private and other sectors, including employers, community, voluntary and business support organisations, to individuals and other government departments, local authorities and the Devolved Administrations. Expenditure relates primarily to England, but in some cases includes supporting activities in other parts of the United Kingdom and abroad.

The costs of the department, its Executive Agencies, and arm's length bodies (ALBs): the Children's Commissioner, Aggregator Vehicle plc, Located Ltd, Institute for Apprenticeships, Office for Students, Social Work England, Student Loans Company Ltd, UK Commissioner for Employment and Skills, Construction Industry Training Board, Engineering Construction Industry Training Board, together with residual costs from ALBs being closed.

Loan and lease interest payable and the efficient management and discharge of liabilities falling to the Department. Capital, recurrent payments and loans and associated non-cash items, including the impairment cost for student loans.

Activities of UK Government Investments on behalf of the Department.

\* support other central government Departments in early 2019 for preparations to leave the EU.

Income arising from:

Administration and programme income in support of its objectives including:

The sale of goods and services by the department including publications, its Executive Agencies, its arm's length bodies, and other partner organisations. Sale of research publications. Receipts from the three National Executives, other government departments, the Devolved Administrations and other sources (including the EU) in connection with a range of educational, training, youth support, student finance provision, children and family programmes with common objectives, and initiatives in UK and overseas.

Early Intervention Foundation receipts.

Interest receivable relating to Aggregator Vehicle plc.

Receipts from other government departments including charges for accommodation and property rental income from departmental properties and from its ALBs, the European School at Culham, sales receipts and profits from Departmental or ALB properties, equipment or other assets (including some repayment of proceeds of sale). Income relating to the regulation of the social work profession.

Sales receipts and rental income streams from sites originally purchased for academies and free schools that are not required by the school, penalty income for missed delivery dates in construction contracts, repayments of grant overpaid in previous years, repayments of loans issued to academies, receipts associated with the closure of departmental ALBs, recoveries from services provided to Sure Start.

International receipts, Music Manifesto Champion receipts, income from providing shared services, the receipt of administration fees collected by the Teachers' Pension Scheme (England and Wales).

Receipts from servicing sold student loan debt. Receipts from asset sales repayment and default recoveries by banks in respect of career development loans, receipts for student support, student loan interest receivable, repayment of working capital loans, receipts from the European Social Fund to cover departmental programmes, sponsorship funding.

Activities of UK Government Investments on behalf of the Department.

The general administration receipts of the Department, its executive agencies, its arm's length bodies, and other partner organisations, including: the recovery of salaries and associated costs for seconded staff, the disposal of surplus assets, charges for accommodation, sale of goods and services, and interest from bank accounts and exchange rate gains and losses.

**Annually Managed Expenditure:**

Expenditure arising from:

Take up and maintenance of Departmental, Executive Agencies and ALB's provisions and associated non-cash items including: bad debts, impairments, tax and pension costs for the Department, Executive Agencies, and its ALBs including academies, and payment of corporation tax.

The provision of financial and other support for students and trainees including grants, allowances, access funds, loans and their repayment, the resource consequences of loans to students, support for students through local authorities, the cost of sales of the student loan debt, education maintenance allowances and loans.

The expenditure of the Industrial Training Boards, the management of asset sales. Activities of UK Government Investments on behalf of the Department.

Income arising from:

Repayment of student loans, including of principal and interest. Receipts and levies from the Construction Industry Training Board and the Engineering Construction Industry Training Board. Receipts from asset sales. Activities of UK Government Investments on behalf of the Department.

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**Excesses, 2019-20****Part I: Summary of the amount to be voted, 2019-20**

	£
	Amount to be voted
<b>Total Departmental Expenditure Limit</b>	
Resource	3,385,625,000
Capital	0
<b>Total Annually Managed Expenditure</b>	
Resource	4,894,982,000
Capital	32,332,000
<b>Total Net Budget</b>	
Resource	8,280,607,000
Capital	32,332,000
<b>Total Non-budget Expenditure</b>	0
<b>Total Net Cash Requirement</b>	3,711,646,000

STATEMENT of the amounts required to be voted in order to make good excesses for the year ended 31 March 2020

TREASURY CHAMBERS

JESSE NORMAN

February 2021

## Part II: Explanations, 2019-20

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### **Ministry of Housing, Communities and Local Government**

1. The Ministry of Housing, Communities & Local Government breached its Resource Departmental Expenditure Limit by £3.4 billion, and its Net Cash Requirement by £2.9 billion. On 23 March 2020, a ministerial direction was issued to authorise the early release of grants to local authorities, including £1.6 billion from the Emergency Response Fund and a further £1.8 billion brought forward from 2020–21 Business Rates Relief grants. This provided total cashflow of £3.4 billion to allow local authorities to act on the government's announcements in relation to its response to the COVID-19 pandemic. It was too late in the year to obtain Parliamentary approval for the spending, and as a result there was no budget cover for these grants. For this reason, a ministerial direction was issued for these amounts. The result of the additional spending was that the Ministry of Housing, Communities & Local Government breached its control totals by £3.4 billion against Local Government Resource Departmental Expenditure Limit and £2.9 billion against its Net Cash Requirement.
2. Parliamentary authority is sought to provide for the excess expenditure by an Excess Vote.

### **Department for Business, Energy and Industrial Strategy**

3. The Department for Business, Energy & Industrial Strategy breached its Resource Annually Managed Expenditure total by £4.9 billion. The government announced in March 2020 that in order to counteract the adverse financial effects of the COVID-19 pandemic on businesses, qualifying businesses would receive grants. Payments were to be made through the Small Business Grants Fund and the Retail, Hospitality and Leisure Business Grants Fund. This created a constructive obligation on the department, which it recognised in its annual accounts as a provision. These announcements and requirement could not have been anticipated at the time of the Supplementary Estimate and so no allowance had been made for them. For this reason, a ministerial direction was issued for these amounts. The result of the additional provision was that the Department for Business, Energy & Industrial Strategy breached its Resource Annually Managed Expenditure total by £4.9 billion.
4. Parliamentary authority is sought to provide for the excess expenditure by an Excess Vote.

### **HM Revenue and Customs**

5. HM Revenue & Customs breached its Net Cash Requirement by £726 million. For the period up to 31 March 2020 breached its Net Cash Requirement by £726 million as a result of errors made in calculating its required voted net cash requirement. As a result it sought insufficient cover within the supplementary estimate. When preparing its supplementary estimate the Department mistakenly excluded some expenditure categories from what was necessary to calculate its Net Cash Requirement. It therefore underestimated the maximum amount of cash it would need to draw down in the financial year. The Department has given us assurances that its processes and quality assurance checks prior to submission of the estimates have now been improved.
6. Parliamentary authority is sought to provide for the excess expenditure by an Excess Vote.

**Home Office** 7. The Home Office breached its Net Cash Requirement by £118 million. The Home Office had a single bank account that contained both money for its core activities and money collected on behalf of the Exchequer. Its failure to monitor these separately meant it failed to detect that funds which should have been set aside for payments to the Exchequer were used to fund supply activities. As a result it did not seek to increase its Net Cash Requirement at the Supplementary Estimate as it should have done, and failed to detect that it had spent in excess of the amount of cash authorised for its core activities. The Home Office has accepted responsibility for the error and given us assurances that comprehensive remedial action has been taken.

8. Parliamentary authority is sought to provide for the excess expenditure by an Excess Vote.

**HM Treasury** 9. HM Treasury breached its Capital Annually Managed Expenditure total by £32 million. For the period up to 31 March 2020, HM Treasury received lower than budgeted income from UK Asset Resolution (UKAR), and did not obtain sufficient budget cover for the expected capital expenditure for works associated with the Reservicing Programme for Buckingham Palace, accounted for in the Sovereign Grant and managed by the Royal Household. Both of these were as a result of errors which mean that HM Treasury did not take into account the correct position in determining its estimates. It included an erroneous amount in the Capital Annually Managed Expenditure forecast for UKAR, and misclassified Capital Annually Managed Expenditure amounts in relation to the Reservicing Programme for Buckingham Palace as Resource Annually Managed Expenditure. The net result of the performance differences and underspends elsewhere was that HM Treasury breached its Capital Annually Managed Expenditure total by £32 million. HM Treasury has apologised to the Committee for the errors made and given assurances that it has strengthened processes and controls to make sure the errors do not happen again.

10. Parliamentary authority is sought to provide for the excess expenditure by an Excess Vote.

## Part III: Excesses by Department, 2019-20

### Ministry of Housing, Communities and Local Government

		£
	Excess	Amount to be Voted
<b>Departmental Expenditure Limit</b>		
Resources		
Excess Expenditure	3,385,625,000	<b>3,385,625,000</b>
Capital	0	<b>0</b>
<b>Annually Managed Expenditure</b>		
Resources	0	<b>0</b>
Capital	0	<b>0</b>
<b>Total Net Budget</b>		
Resources	3,385,625,000	<b>3,385,625,000</b>
Capital	0	<b>0</b>
<b>Non-budget Expenditure</b>	0	<b>0</b>
<b>Net Cash Requirement</b>	2,867,896,000	<b>2,867,896,000</b>

Excess amounts required in the year ended 31 March 2020 for expenditure by the Ministry of Housing, Communities and Local Government on:

#### Departmental Expenditure Limit - Housing and Communities:

##### Expenditure arising from:

Increasing the supply of affordable housing and supporting home ownership and diversifying the housing market; policies regulating and helping people access the housing market, whether they are renting or looking to buy; supporting infrastructure and planning programmes including policy; buying and selling land for housing and economic development preventing homelessness, and supporting people to stay in their homes.

Supporting local economies across the country to boost productivity and deliver inclusive growth for all our communities, cultural institutions and society in general; economic growth and devolving powers and responsibilities at a local level; European Union structural funds and European Regional Structural Funds; UK Holocaust Memorial project.

Supporting Local Authorities and communities bringing them together; emergency assistance and financial support to Local Authorities and communities; Encouraging race, gender and faith equality; helping support troubled families and victims of domestic violence and child sexual exploitation; controlling migration; tackling extremism and promoting cohesive communities; gypsy and traveller policy.

Supporting effective Local Government to deliver public services to local people, driving efficiencies and transformation; Encouraging action at neighbourhood level; legacy and historic programmes previously run by the Ministry including payments to the Valuation Office Agency; research and development programmes.

Support to Grenfell Tower residents and victims of the Grenfell Fire.

Delivery of the Building Safety Portfolio, support and monitor the rectification of safety issues within buildings; review the current building safety system and to implement changes to that system as they are required.

Exiting the European Union and net spending by Arm's Length Bodies (ALBs), including Homes England.

Expenditure relating to any of the above areas in the form of: equity investment, or making loans through advances of principal (financial transactions); using a payment by results mechanism; the creation of liabilities and expenditure related to a financial guarantee or similar financial instrument given by the Ministry; providing grant funding to charities; providing funding through endowments as laid out in Managing Public Money; purchase and management of exchange rate contracts to hedge exposure risk; Financial Transactions devolved to and delivered by local authorities.

Administration of the Ministry of Housing, Communities and Local Government, its ALBs, and associated offices, ensuring that they deliver on the Ministry's objectives.

Income arising from:

Increasing the supply of affordable housing and supporting home ownership and diversifying the housing market; policies regulating and helping people access the housing market, buying and selling land for housing and economic development; capital pooled housing receipts; planning programmes and policy.

Supporting local economies across the country to boost productivity and deliver inclusive growth for all our communities and economic growth; European Union Structural Funds and European Regional Development Fund programme; city deals.

Supporting effective Local Government to deliver public services to local people, driving efficiencies and transformation; Supporting Local Authorities; Disabled Facilities Grant; legacy and historic programmes previously run by the Ministry; research and development programmes.

Exiting the European Union and net spending by ALBs, including Homes England.

Income relating to any of the above areas in the form of: equity investment, or making loans through advances of principal (financial transactions); using a payment by results mechanism; fees and charges including by ALBs; the creation of liabilities and expenditure related to a financial guarantee or similar financial instrument given by the Ministry; purchase and management of exchange rate contracts to hedge exposure risk; Financial Transactions devolved to and delivered by local authorities.

Administration of the Ministry of Housing, Communities and Local Government, its ALBs, and associated offices, ensuring that they deliver on the Ministry's objectives and any activities listed in the expenditure section.

\* Philanthropic donations towards the construction and management of the Holocaust Memorial and Learning Centre.

**Departmental Expenditure Limit - Local Government:**

Expenditure arising from:

Supporting effective Local Government to deliver public services to local people.

Financial support to local authorities and specified bodies including grant payments; including Revenue Support Grant, Business Rates Retention including Transitional Relief; Business Rate Relief Measures.

Supporting Social Care and independent living; Local Government devolved powers.

Income arising from:

\*Financial support to local authorities including Business Rate Relief Measures and other grants.



**Annually Managed Expenditure:**

Expenditure arising from:

Debt payments relating to housing stock; charges on financial products' repayments of excess contributions made by Local Authorities; provision, impairments, and exchange rate movements including on financial instruments (including guarantees); business rates retention; hedging.

Supporting effective Local Government to deliver public services to local people and net spending by our ALBs and other public bodies not classified as ALBs and setting up of new Development Corporations. Movements arising from pension schemes of the Ministry and its ALBs; other public bodies not classified as ALBs.

Income arising from:

Supporting effective Local Government to deliver public services to local people.

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## Department for Business, Energy and Industrial Strategy

£

	Excess	Amount to be Voted
<b>Departmental Expenditure Limit</b>		
Resources	0	0
Capital	0	0
<b>Annually Managed Expenditure</b>		
Resources		
Excess Expenditure	4,894,982,000	<b>4,894,982,000</b>
Capital	0	0
<b>Total Net Budget</b>		
Resources	4,894,982,000	<b>4,894,982,000</b>
Capital	0	0
<b>Non-budget Expenditure</b>	0	0
<b>Net Cash Requirement</b>	0	0

Excess amounts required in the year ended 31 March 2020 for expenditure by the Department for Business, Energy and Industrial Strategy on:

### Departmental Expenditure Limit:

#### Expenditure arising from:

The promotion of enterprise, innovation and increased productivity delivered through international trade and investment, regional investment and delivering regulatory reform, and measures to combat international bribery and corruption.

The provision of support for business, including support for specific industries, small and medium businesses, regional programmes, programmes to promote research and development, innovation and standards, best practice and sustainable development.

The provision of financial solutions to accelerate private sector investment and address market failures through the British Business Bank, and other similar intervention mechanisms.

The promotion of strong, fair and competitive markets at home and abroad; measures to protect investors and consumers including from unsafe products and unfair practices; support for employment relations programmes and measures to promote a skilled and flexible labour market.

The efficient management and discharge of liabilities falling to the Department and its partner organisations, including nuclear waste management and decommissioning, and liabilities in respect of former shipbuilding industry and former coal industry employees.

The management of the Government's shareholder interest in the portfolio of commercial businesses wholly or partly owned by Government; providing financial assistance to public corporations, and trading funds.

The management of miscellaneous programmes including payments in respect of claims for the restitution of the property of victims of Nazi persecution.

The payment of subscriptions and contributions to international organisations and fulfilment of international treaty obligations.

Increasing science and research excellence in the United Kingdom and maximising its contribution to society.

Support for space related programmes.

Making payments to local authorities in respect of Local Area Agreements and New Burdens responsibilities.

Activities of UK Government Investments on behalf of the Department.

Support for energy-related activities including regulation, civil emergency planning, energy resilience measures, environmental remediation and support and facilitation for new and sustainable or more efficient, or less carbon intensive energy sources, technologies, transmission and storage, security and non-proliferation.

Respond to fuel poverty needs.

Measures to improve energy efficiency, security and environmental practice; payments to energy companies to reduce the impact of BEIS policies on bills.

Work towards international agreement on climate change; promote and support actions to reduce national and global greenhouse gas emissions; climate modelling and risk assessment.

Safety, environment and social impact programmes relating to nuclear sites in Central and Eastern Europe and the former Soviet Union and other countries where future G8 Global Partnership related initiatives may be pursued.

Inspections and compliance in accordance with EU regulatory requirements and recovery of expenditure through cost sharing arrangements.

Specialist support services, staff management and development; other departmental administration and non-cash costs; payments towards the United Kingdom Atomic Energy Authority Combined Pension Scheme deficit; exchange risk and other guarantee losses; publicity, promotion, publications, knowledge sharing initiatives and departmental research and development; surveys, monitoring, statistics, advice and consultancies; management of asset sales; contributions to fund cross government initiatives; Payments to HM Treasury towards the cost of Infrastructure UK.

Expenditure arising from the UK's departure from the European Union.

Grants to local authorities.

Funding organisations supporting departmental objectives, including the department's executive agencies and arm's length bodies and their subsidiaries.

The provision of financial solutions to accelerate private sector investment and address market failures through New Innovation Finance Products.

\* The efficient management and discharge of specific costs falling to the Department and its partner organisations relating to outstanding personal injury claims against Thomas Cook.

Income arising from:

Receipts from other Government Departments and devolved administrations; the Advisory, Conciliation and Arbitration Service; the Insolvency Service.

Receipts from statutory regulators in respect of expenses related to levies from industry.

Receipts from licences and levies; Launch Investment receipts; Capital Venture Funds receipts; premium income and other receipts from Financial Guarantee schemes, and of dividends; equity withdrawals; interest on loans and loan repayments from the Land Registry, Ordnance Survey, Met Office, UK Intellectual Property Office, National Physical Laboratory and Companies House. Income from investments; receipts from financial investments made by the British Business Bank and UK Research and Innovation; repayment of loans and investments; repayment of capital grants; repayments of grants and contributions; receipts from asset sales.

European Fast Stream receipts; repayment of working capital loans; receipts from outside organisations (including the EU) in respect of advertising and publicity activities and materials; sale of research publications; receipts from the European Social Fund to cover departmental programmes; sponsorship funding.

Receipts and profit from the sale of surplus land, buildings and equipment; rental income and repayments including from three domestic properties on the estate of the European School of Culture at Culham, Oxfordshire and from the National Physical Laboratory. Receipts associated with the closure of Partner Organisations.

Receipts from LifeArc/MRC Technology, the Ufi Charitable Trust, and subsidiaries and shares in joint ventures of UK Research and Innovation, and other partner organisations, the public weather service and mapping services. Commercial loan recoveries in relation to UK Coal Production Limited.

General administration receipts of the Department, its executive agencies, its arm's length bodies, and other partner organisations, including: the recovery of salaries and associated costs for seconded staff; sale of goods and services; HMRC receipts arising from the Research and Development Expenditure Credit; and interest from bank accounts and exchange rate gains and losses.

Income relating to legal services, consultancy, publications, public enquiries, information, central services; occupancy charge; administrative and professional services; EU receipts; refund of input VAT not claimed in previous years on departmental expenditure; fees for services provided for energy resilience purposes; interest payments; non-cash income.

Activities of UK Government Investments on behalf of the Department.

Contributions from other organisations to cover the cost of activities they have agreed to fund in total or in part.

Government carbon offsetting scheme receipts.

Receipt and retention of financial securities relating to the decommissioning of renewable devices such as offshore wind.

Receipts relating to the oil and gas industries (including petroleum licensing and levy receipts).

Project Camelot Levy Receipts.

Proceeds of Crime income generated in criminal enforcement.

Receipts relating to the Nuclear Decommissioning Authority.

### **Annually Managed Expenditure:**

#### Expenditure arising from:

The efficient management and discharge of liabilities falling to the Department and its partner organisations, including nuclear waste management and decommissioning and liabilities in respect of former shipbuilding industry and former coal industry employees.

Bad debts, impairments and provisions; other non-cash items.

Departmental administration; financial guarantee schemes; regional investment and programmes; enterprise for small and medium firms; provision of support for business, including support for specific industries; support for innovation and research activity; miscellaneous programmes.

The management of asset sales.

Payment of corporation tax.

The provision of repayable credit facilities for Post Office Ltd; contributions to partner organisations' pension schemes, such as the Research Councils' Pension Scheme; and the provision of parental leave schemes.

Activities of UK Government Investments on behalf of the Department.

Renewable Heat Incentive including Renewable Heat Premium Payments.

The expenditure of The NESTA Trust.

Impairment of loans and investments; Exchange rate gains and losses.

Efficient discharge of liabilities relating to contracts for difference for the supply of electricity.

The Redundancy Payments Service.

Income arising from:

Receipts from Trading Funds.

Receipts from asset sales.

Income relating to repayment and recoveries of compensation and legal costs, distribution of surpluses from coal industry pension schemes and coal privatisation receipts.

Refund of input VAT not claimed in previous years on departmental expenditure; interest payments; repayments of grants and contributions; non-cash income.

Activities of UK Government Investments on behalf of the Department.

Receipt of interest on loans and loan repayments from Post Office Ltd; receipts and income from investments in respect of The NESTA Trust.

Income from Enrichment Holdings Ltd in respect of dividends from shares held by Enrichment Investments Ltd in URENCO.

Dividends from shares held by Postal Services Holding Ltd in Royal Mail.

Receipts relating to the Nuclear Decommissioning Authority.

**Non-Budget Expenditure:**

Expenditure arising from:

\* Prior Period Adjustments.

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## HM Revenue and Customs

£

	Excess	Amount to be Voted
<b>Departmental Expenditure Limit</b>		
Resources	0	0
Capital	0	0
<b>Annually Managed Expenditure</b>		
Resources	0	0
Capital	0	0
<b>Total Net Budget</b>		
Resources	0	0
Capital	0	0
<b>Non-budget Expenditure</b>	0	0
<b>Net Cash Requirement</b>	725,989,000	<b>725,989,000</b>

Excess amounts required in the year ended 31 March 2020 for expenditure by HM Revenue and Customs on:

### Departmental Expenditure Limit:

#### Expenditure arising from:

Administration in management, collection and payment of a range of taxes, tax credits, benefits, reliefs, refunds, duties, levies, Statutory Payments, allowances, loans, entitlements, regulatory and verification schemes.

Delivering policies held by other government departments, assistance to devolved administrations and public bodies.

Law enforcement, criminal investigation and provision of resources to independent investigatory bodies including the Adjudicator's Office. Payments for the HMRC National Museum and grants to the voluntary and community sector.

International Tax Cooperation Agreements, customs controls, overseas tax administration, Official Development Assistance and support of projects abroad.

Providing shared services, Revenue and Customs Digital Technology Services Limited, services provided to third parties and provision of trade information.

Administration of the National Insurance Funds for Great Britain and Northern Ireland.

Exiting the European Union.

Non-cash items falling in DEL.

Valuations, administration, setting and maintaining of assessments, advice, property services, payments of Local Authority Rates on behalf of accredited foreign countries and non-cash items incurred by the Valuation Office Agency.

Income arising from:

Tax reliefs, entitlements, levies, regulatory and verification schemes.

Recovery of law costs, overpayments, insurance and compensation claims, staff costs, apprenticeships funding, valuation and other services, transaction fees and excess cash receipts.

Services provided to the Valuation Office Agency, Revenue and Customs Digital Technology Services Limited, other government departments, devolved administrations, other bodies and international parties and providing shared services.

Charges made for attendance of officers, international commitments, travel expenses, use of cars and rent.

Sales of assets, information, publications, statistical services, certificates and other services.

The Asset Recovery Incentivisation Scheme and other receipts. Recovery of administration costs of the National Insurance Funds, collection of National Insurance contributions.

Income arising from contributions to programmes conducted on behalf of government.

Non-cash items falling in DEL.

Valuations, administration, setting and maintaining of assessments, advice, property services, payments of Local Authority Rates on behalf of accredited foreign countries and non-cash items incurred by the Valuation Office Agency.

**Annually Managed Expenditure:**

Expenditure arising from:

Tax credits, benefits, reliefs, refunds, duties, levies, allowances and entitlements.

Remittance of irrecoverable debts, losses on asset revaluation and exchange rate movements. Incentive payments for filing, transitional payments to charities, provisions movements and payments that add capacity to debt recovery.

Non-cash items falling in AME.

Payments of Rates on behalf of accredited Commonwealth and foreign countries and certain international organisations and non-cash items.

Income arising from:

Payments of Rates by accredited Commonwealth and foreign countries and certain international organisations, refunds from local authorities.

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## Home Office

£

	Excess	Amount to be Voted
<b>Departmental Expenditure Limit</b>		
Resources	0	0
Capital	0	0
<b>Annually Managed Expenditure</b>		
Resources	0	0
Capital	0	0
<b>Total Net Budget</b>		
Resources	0	0
Capital	0	0
<b>Non-budget Expenditure</b>	0	0
<b>Net Cash Requirement</b>	117,761,000	117,761,000

Excess amounts required in the year ended 31 March 2020 for expenditure by the Home Office on:

### Departmental Expenditure Limit:

#### Expenditure arising from:

Control of immigration and nationality; refugees (including the provision of loans) and Voluntary and Community Sector refugee organisations; support for asylum seekers; work permits.

Safeguarding children and vulnerable adults including reducing and preventing child trafficking and modern slavery; registration of forensic practitioners; grants to, and other expenditure on behalf of associated entities.

Identity management; passports.

Emergency planning and services; counter-terrorism and intelligence.

Responsibility for the fire and rescue services; financial support to Local Authorities and Fire and Rescue Authorities; emergency assistance; improvement, transformation and efficiency; intervention action and capacity building in local authorities; Private Finance Initiative Special Grant.

Police resource and capital expenditure; crime reduction and prevention; firearms compensation and related matters; other services related to crime; tackling drug abuse.

Expenditure arising from the programme to reform the proceeds of crime and terrorism financing “suspicious activity reporting” regime.

Immigration Health Surcharge and Immigration Skills Charge.



Net spending by Arm's Length Bodies (Independent Police Complaints Commission, Security Industry Authority, Office of the Immigration Service Commissioner, College of Policing, Gangmasters Labour Abuse Authority and the Disclosure and Barring Service, Equalities and Human Rights Commission). Payments of grant and grant-in-aid to other organisations promoting Home Office objectives; support to local authorities including Area Based Grants; payments to other Government departments; the administration and operation of the department; and other non-cash items.

Income arising from:

Control of immigration and nationality; additional or special immigration services; work permits; fees, fines and penalties arising from relevant Home Office legislation.

Identity management and data protection; passports and certificates.

Emergency planning and services; counter-terrorism work, and intelligence.

Responsibility for and inspections of crown premises and emergency services.

Cyber-crime. Contributions for Police IT services.

Issue of licences and certificates; crime reduction and prevention; proceeds of crime; training and advisory services.

Immigration Health Surcharge and Immigration Skills Charge.

Contributions towards grant programmes from third parties, other Government departments and the Devolved Administrations, the European Union, other Governments; the administration and operation of the department (including the sale and hire of assets).

**Annually Managed Expenditure:**

Expenditure arising from:

Pensions; and other non-cash items.

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## HM Treasury

		£
	Excess	Amount to be Voted
<b>Departmental Expenditure Limit</b>		
Resources	0	0
Capital	0	0
<b>Annually Managed Expenditure</b>		
Resources	0	0
Capital		
Excess Expenditure	32,332,000	32,332,000
<b>Total Net Budget</b>		
Resources	0	0
Capital	32,332,000	32,332,000
<b>Non-budget Expenditure</b>	0	0
<b>Net Cash Requirement</b>	0	0

Excess amounts required in the year ended 31 March 2020 for expenditure by HM Treasury on:

### Departmental Expenditure Limit:

#### Expenditure arising from:

Spending by core Treasury on economic, financial and related administration, including exiting the EU, illegal money lending, breaches of financial sanctions, consumer credit policy, infrastructure finance (including spending under the International Development Act 2002) and the provision of guarantees. The purchase and sale of investments, expenses in connection with honours and dignities and compensation payments arising from gilt administration.

Spending by the Debt Management Office, including administration of the Public Works Loan Board, the Commission for the Reduction of National Debt and operational services for HM Treasury, other government departments and the Bank of England.

Spending by the Government Internal Audit Agency on audit services. Spending by the National Infrastructure Commission on the provision of advice on infrastructure projects.

Spending on Treasury related bodies including the Office of Tax Simplification, Office for Budget Responsibility, Infrastructure Finance Unit Limited, IUK Investments Limited, IUK Investments Holdings Limited, HM Treasury UK Sovereign SUKUK plc, the Royal Mint Advisory Committee on the design of Coins, Medals, Seals and Decorations and UK Government Investments Limited.

Depreciation and other non-cash items falling in DEL.

\* Spending by core Treasury on the settlement of legal claims.

Income arising from:

Recoveries in respect of administration of the Treasury, including income from tenants, recharges for work on financial stability issues, income from financial regulators, fees and charges for the provision of guarantees, dividends, training courses and other services; charges for services provided by the Government Social Research Unit; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; amounts arising from loans, including repayments, interest and fees; sale of shares and debt royalties, sale of publications, assets and redundant capital items, administration of Pool Re and other related bodies; and European Fast Stream income from the Cabinet Office.

Income due to the Debt Management Office for charges for services provided to other government departments and organisations, advertising costs, stock exchange listings, data provision, rentals in respect of operating leases, the management and administration of certain public and private funds and provision of a lending service to local authorities, income from the administration of carbon dioxide reduction schemes and the Gilt Purchase and Sale Service.

Income due to the Government Internal Audit Agency and the National Infrastructure Commission for charges for services provided to other government departments and other organisations.

**Annually Managed Expenditure:**

Expenditure arising from:

The production costs of UK coinage, including manufacture, purchase of metal, storage and distribution of finished coins and actions to protect the integrity of coinage.

Costs related to investment in and financial assistance to financial institutions and non-financial organisations, businesses and individuals including credit easing, provision of guarantees, warranties and indemnities, infrastructure finance (including spending under the International Development Act 2002) and spending on Help to Buy ISA.

Creation and use of provisions including those relating to payments under the Equitable Life Payments Scheme, those in respect of economic, financial and related administration and decommissioning relief agreements.

Administration of the Equitable Life Payments Scheme.

Spending by the Financial Services Compensation Scheme, the Sovereign Grant to the Royal Household, UK Asset Resolution Limited and Help to Buy (HMT) Limited.

Non-cash items falling within AME.

\* Funding by core Treasury of tax costs and associated interest payments for certain retired police and fire service officers. Creation and use of provisions relating to the EU Withdrawal Agreement financial settlement.

Income arising from:

Transactions with financial institutions and public and private organisations, businesses and individuals including interest, fees and charges, dividends, loan repayments, sale of assets and other capital items.

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HM Treasury contacts

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