



HM Treasury

2023 HM Treasury COVID-19 Cost Tracker update

20 July 2023

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Chapter 1

Introduction

1.1 The COVID-19 Cost Tracker brings together data from across the UK government. It provides estimates of the cost of measures announced in response to the COVID-19 pandemic and how much the government has spent on these measures so far (where this information is publicly available or has been provided to HM Treasury by government departments)¹.

1.2 HM Treasury is publishing the tracker to meet its commitments to the Public Accounts Committee. The aim of the tracker is to improve transparency of the cost of COVID-19, providing a bespoke update to supplement existing publications.

1.3 This publication contains statistics on the cost of measures announced in response to the COVID-19 pandemic and how much the government has spent on these measures so far, based on the information available.

1.4 In 2022, HM Treasury proposed to publish two annual iterations of the COVID-19 Cost Tracker, providing updates on all active measures where there had been a 'material change' in spend since the National Audit Office's (NAO) last publication in June 2022. After considering, HM Treasury decided instead to provide an update covering all remaining active measures as of June 2022.

1.5 This is the first version of the COVID-19 Cost Tracker published by HM Treasury. The NAO has produced and published previous versions, with its most recent version available at: [COVID-19 cost tracker – National Audit Office \(NAO\) overview](#)

1.6 This publication references data previously published by the NAO.

1.7 You can download the COVID-19 Cost Tracker dataset by clicking the 'Download data set' button. The downloaded file will contain some additional detail on the data, such as when the cost estimates were produced and additional detail on the measures themselves.

¹ The Department for Business, Energy and Industrial Strategy (BEIS) has now been split into three new departments: the Department for Business and Trade (DBT), the Department for Energy Security and Net Zero (DESNZ) and the Department for Science, Innovation and Technology (DSIT). This change will be captured in the 2024 publication of the COVID-19 Cost Tracker.

Overview

- **£373bn:** The amount the government expects to spend once all measures – both those still active and those already complete – are finished.
- **£92.58bn:** The amount we know the government or Bank of England have loaned – for example, via the Coronavirus Business Interruption Loan scheme – or guaranteed so far (where data are available).
- **£358bn:** The amount the government has spent on these measures so far (where data are available).
- **76%:** the percentage of measures that are now finished (298), with 24% (95) still open. There remains **£14.93bn** left to spend across all active measures.

New in this release²³

- There are **four** new measures included as part of this update. Three measures relate to the COVID-19 inquiry; and one relates to the Department of Health and Social Care's (DHSC) COVID-19 recovery funding. The DHSC funding was allocated to the NHS as part of the settlement agreed through Spending Review 2021. Following the implementation of government's 'Living with COVID-19' strategy, some COVID-19 spending is not separately identified from funds allocated at the Spending Review.
- For some measures – including vaccines (£795m), PPE (£337m), ventilators (£87m), medicines and research (£2.00bn), and Test and Trace (£1.16bn) – DHSC maintains more bespoke tracking. The department has spent a total of **£12.23bn** on COVID-19 in financial year 2022-2023.
- This publication includes updated July 2023 data for the **four large loan schemes** formerly administered by BEIS: the Bounce Back Loan Scheme (BBLS), the Coronavirus Business Interruption Loan Scheme (CBILS), the Coronavirus Large Business Interruption Loan Scheme (CLBILS), and the Recovery Loan Scheme. These items also include restated figures for the previous June 2022 update, which previously referred to April 2021 data. Across these four measures, the updated June 2022 data has decreased estimated lifetime cost and volume of loans guaranteed by £1.36bn and £20.56bn respectively, while the amount reported spent increased by £1.14bn.
- Across all four loan schemes in FY22-23, estimated lifetime costs have dropped by **£3.79bn** while the amount reported spent has increased by **£4.98bn as the government has paid out on guarantees for loans which have been settled.** The volume of loans guaranteed has been revised down by **£18.40bn** since the previous publication, primarily due to repayments and write-offs. This has been partially offset by the expansion of the Recovery Loan Scheme, the only one of the four which is still issuing new guarantees.
- The estimated lifetime cost of 'Rail emergency measures' has decreased by **£3bn** from the previous publication, following DfT's reclassification of support for Train Operating Companies ahead of FY22-23.

² For all departments other than DHSC, financial year 2022-23 refers to the period June 2022 to March 2023 to account for the fact that the NAO June 2022 publication captured data up to May 2022.

³ DHSC has provided updated data for 2021-22 as well as 2022-23 data. The 2021-22 data has been included with the NAO June 2022 baseline data (see Table 1).

Chapter 2

Further analysis

Table 1: New in this release

	June 2022 NAO publication	July 2023 HMT publication	Change	Commentary
Estimated lifetime cost	£375.86bn	£373.30bn	-£2.57bn	<p>The change in estimated lifetime cost is due to a collection of measures, including:</p> <ul style="list-style-type: none"> • A £3.0bn decrease following the reclassification of rail emergency measures • A £1.3bn decrease in expected losses from the VAT deferral scheme • A £300m decrease in the expected costs of the COVID-19 Additional Relief Fund • A £6.1bn increase from the inclusion of NHS Spending Review 2021 COVID-19 recovery funding. This measure was not included in the June 2022 publication due to difficulties government had in distinguishing between COVID-19 and business as usual spend.

Volume of loans reported issued/guaranteed	£110.98bn ⁴	£92.58bn	-£18.40bn	<p>The change in volume of loans guaranteed is driven primarily by decreases in the volumes guaranteed through the CBILS (£5.0bn) and BBLs (£10.3bn) loan schemes. This decrease is primarily due to repayments and write-offs.</p> <p>Other changes include a £1.4bn decrease in loans guaranteed through the CBILS scheme, a £1.1bn decrease in the loans guaranteed through the UK Export Finance Temporary COVID-19 Risk Framework, and a £700m decrease in loans guaranteed through the Recovery Loan Scheme.</p>
Amount reported spent	£334.13bn ⁵	£358.37bn	+£24.24bn	<p>DHSC accounts for £12.23bn of the change in amount spent in FY22-23. Vaccines (£795m), medicine and research (£2.00bn), Test and Trace (£1.16bn) and NHS recovery funding (£6.10bn) are the largest areas of spend in 2022-23.</p> <p>Other departments who have spent over £1bn on COVID-19 measures since the previous publication include:</p> <ul style="list-style-type: none"> • BEIS⁶, (£5.12bn), primarily as a result of increased write-offs across the Bounce Back Loan Scheme. • HMT (£2.62bn), as a result of increased funding for the devolved administrations and the inclusion of devolved administration costs within the 'Business Rates Holiday' measure. • DWP (£1.88bn), primarily as a result of funding for increased housing support and the Restart scheme.

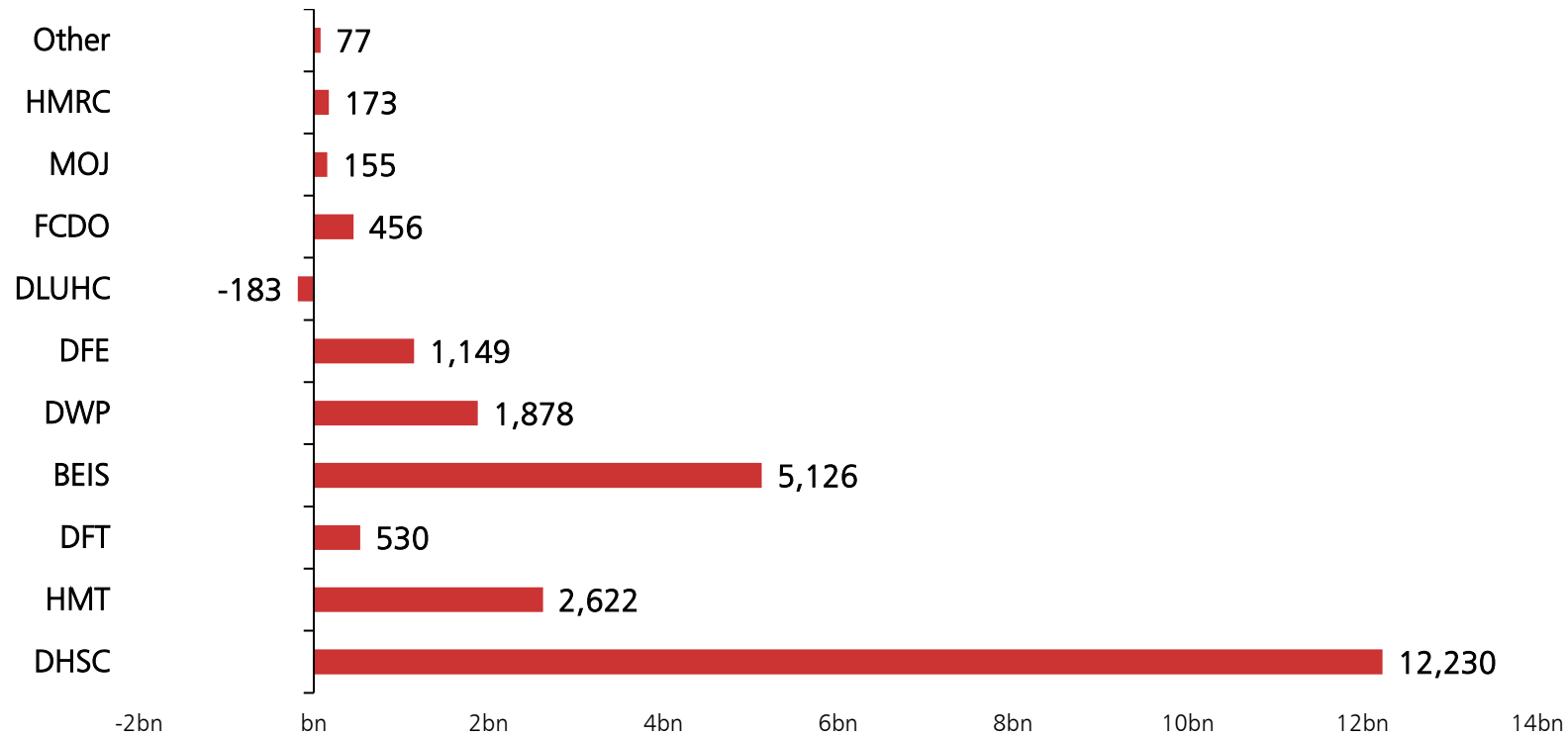
⁴ This figure accounts for restated BEIS loan scheme data.

⁵ This figure accounts for updated financial year 2021-2022 data provided by DHSC.

⁶ The Department for Business, Energy and Industrial Strategy (BEIS) has now been split into three new departments: the Department for Business and Trade (DBT), the Department for Energy Security and Net Zero (DESNZ) and the Department for Science, Innovation and Technology (DSIT). This change will be captured in the 2024 publication of the COVID-19 Cost Tracker.

				<ul style="list-style-type: none"> DfE (£1.15bn), the majority of which has been spent on education recovery schemes.
Total number of measures without an amount reported spent	29	12	-17	The number of measures without spend data has decreased to 12. Of these, eight are tax measures, two have not incurred any costs to date, and two reflect measures that have been subsumed into business as usual (BAU) costs.

Table 2: Amount spent by department across FY 2022-23 (£bn)⁷



⁷ This chart shows a reduction in the amount spent by the Department for Levelling Up, Housing and Communities (DLUHC) in 2022-23. The June 2022 publication used estimated data and following analysis of actual claim data for ID118 (Reimbursing local authorities for lost income), this figure has been revised down.

Table 3: Total amount spent by each department in 22-23 (dark blue) and total spend (light teal) by each department across all active COVID-19 measures (£bn)

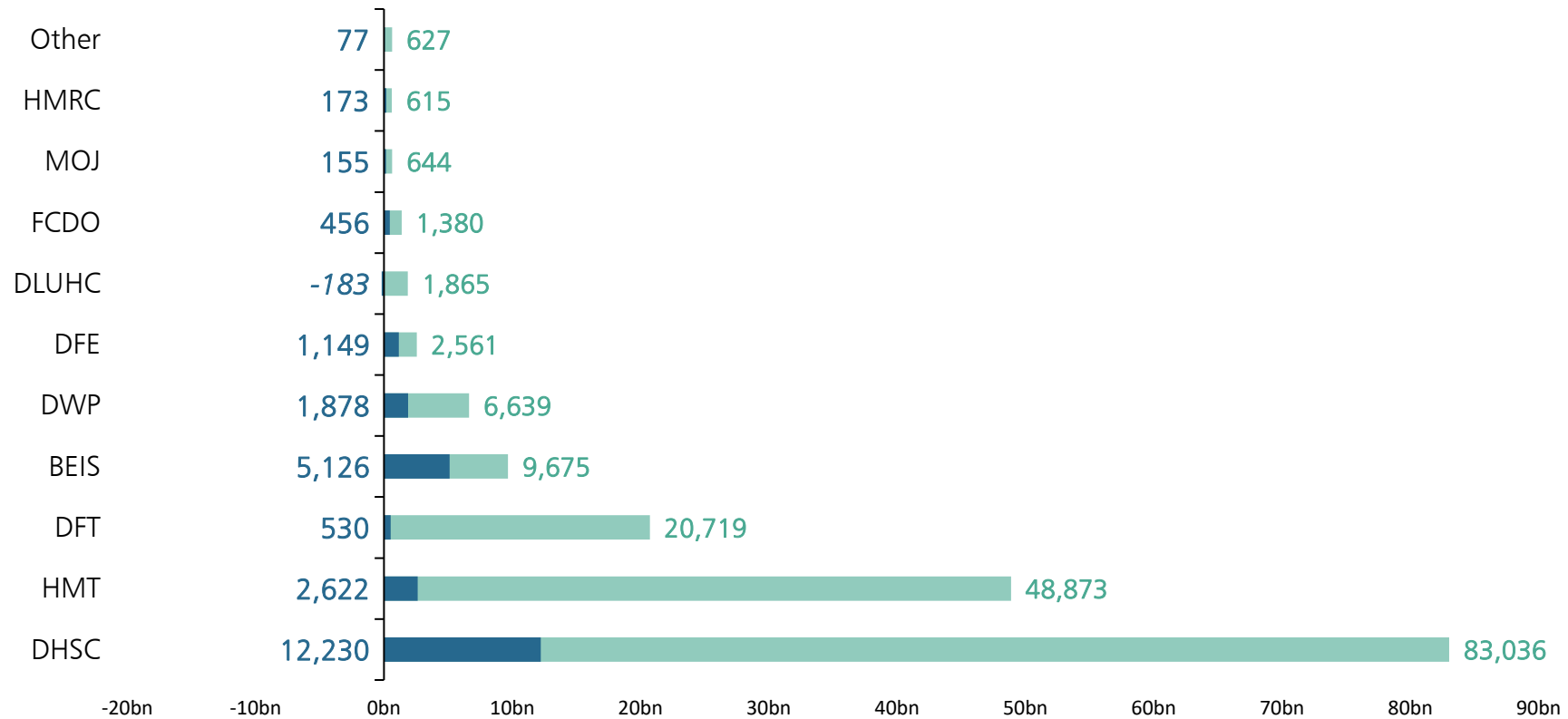
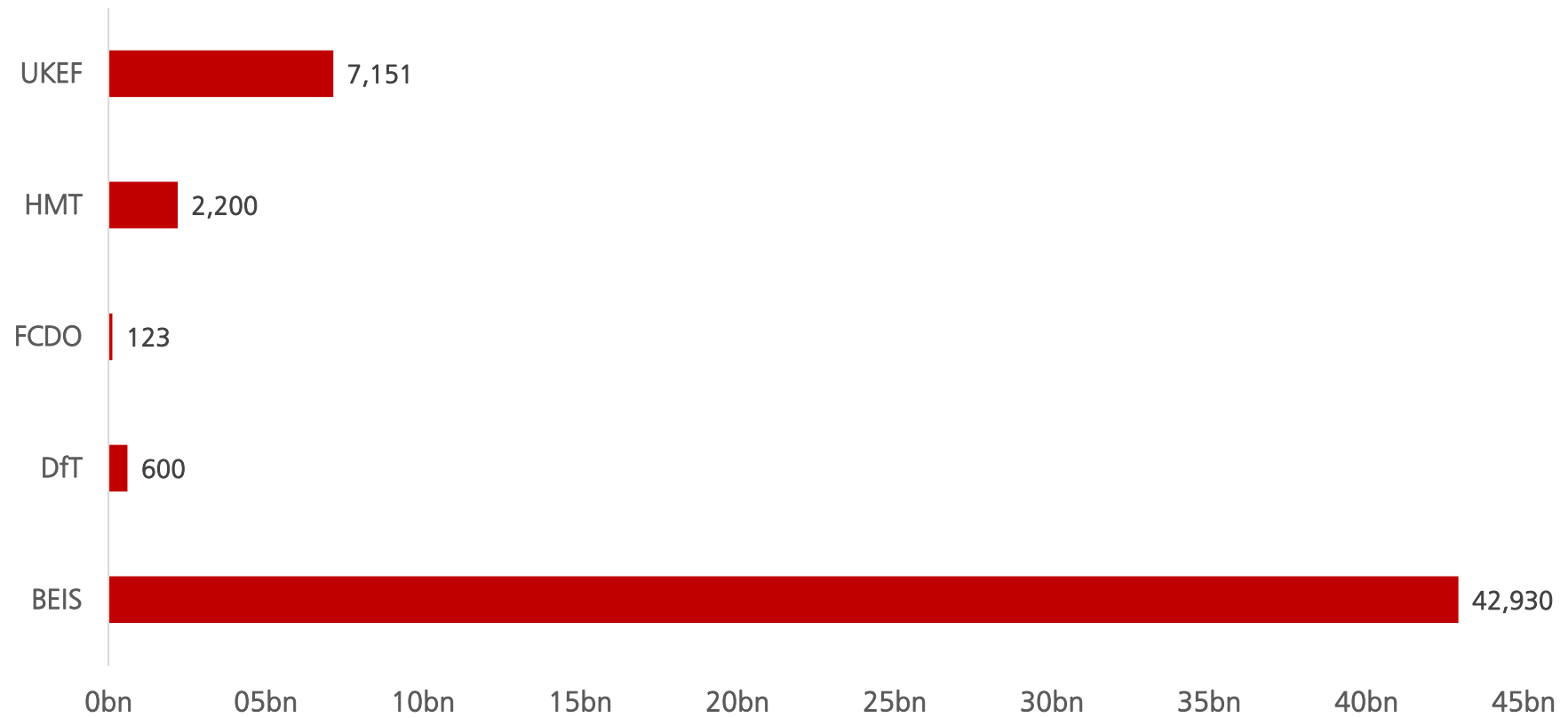


Table 4: Total volume of loans issued/guaranteed for active loan schemes by department (£bn)



Chapter 3

Methodology

Data collection

3.1 HM Treasury has worked with relevant government departments to collect this information. All COVID-19 related data included within this publication has been collated based on estimates provided by these departments. HM Treasury has quality assured the data with the help of government departments. Data included within this publication has not been audited by the NAO.

3.2 This publication includes updated cost data for all active measures, where provided by the lead department. We have also included measures for which departments have not provided a cost estimate, which is marked with 'n/a' in the relevant cells.

3.3 We aimed to ensure that the list of measures is as complete as possible. However, not all expenditure will have been identified (see the 'Limitations' section for more details).

3.4 In some limited instances, we have made presentational changes to the measures - for example, to avoid double counting. This means that measures may not be directly comparable to previous versions of the COVID-19 Cost Tracker published by the NAO.

Estimated cost data

3.5 Estimated costs include the UK government's allocation of funding to the following:

- government departments and their associated organisations;
- local authorities in England; and
- the devolved administrations of Scotland, Wales and Northern Ireland

3.6 They do not include further spending decisions taken by local authorities and the devolved administrations.

Estimated spend data

3.7 This data has been provided by government departments and shows the amount spent on each COVID-19 response measure so far, where measures have already been implemented and data are available.

3.8 For the purposes of this Cost Tracker, expenditure means that funds have left the department responsible and accountable for them (the lead department).

3.9 The funds may have gone to an individual, a private sector organisation or another public sector organisation.

Gross costs

3.10 The Cost Tracker aims to show the estimated gross costs of policy interventions, not the estimated additional cost to the government (that is, how much additional funding departments and devolved administrations will eventually need, over and above their existing levels of funding). In some cases, interventions will have involved reprioritising existing funding and resources.

What do the data include?

3.11 The data include measures that the government announced between February 2020 and 31 March 2023 as part of its response to the COVID-19 pandemic, including some measures for which departments have not estimated a cost.

3.12 The latest estimate of how much each measure is expected to cost and how much has been spent so far has been included, where this information was provided to HM Treasury.

3.13 In line with previous versions of the Cost Tracker and where these measures are still ongoing, departments have included the additional costs that they incurred as a result of operating under COVID-19-related restrictions or while delivering COVID-19 policy measures, as well as the costs of government's COVID-19 policy interventions. The majority of departments now capture these costs with their wider BAU budgets. Where included, these measures include the following:

- increases in staff numbers, for example new COVID-19 teams, redeploying existing staff to the COVID-19 response or hiring additional call centre staff;
- overtime claims or changes to shift working;
- increases in staff expenses, such as working-from-home allowances; and
- IT and home office furniture costs to support staff working from home, or new IT implementation for COVID-19 measures

Where possible, these costs are presented as a single item for a department. As with data on policy interventions, not all departments were able to provide complete and detailed information on their operating costs. In some cases, operating expenditure may also be captured within wider departmental funding packages. Therefore, the data on operational expenditure are not directly comparable across departments.

Chapter 4

Limitations of the data

Verifying the data

4.1 The data included in this publication has not been audited but HM Treasury has worked closely with departments to ensure that all data provided is accurate.

Completeness

4.2 Not all departments were able to provide us with all the information requested. For example, following the pivot to the government's living with COVID-19 strategy, some departments do not distinguish between COVID-19 spending and business as usual spend, due to the removal of the COVID-19 specific ringfence within budgets. Where possible, departments have provided cost and spend data in line with their Spending Review settlements.

Data precision

4.3 The following caveats apply to this data:

- "Measures" is not a synonym for policies, nor is it a strictly defined classification. Comparisons and analyses that assume measures have been similarly defined throughout the data should be avoided.
- Data for different measures are rounded with different levels of precision. All data is rounded to the nearest £10,000 in the dataset

Certainty

4.4 Costs and spend on COVID-19 depend on a range of uncertain factors, including the impact of the pandemic on the wider economy. As some schemes are yet to complete, final costs will also depend on the level of take-up.

Comparisons with government publications

4.5 When comparing any data included within this publication, costs within this publication may differ from other publications because:

- this tracker includes some measures funded through departments' own resources;
- the tracker excludes funds set aside for the COVID-19 response in the COVID-19 Reserve; and
- there are timing differences between producing the cost estimates for each publication

Technicalities

4.6 Technicalities such as Barnett formula have been explained where they are known to be included in costs, but may not be identified in all cases.

4.7 The estimated costs of government-backed loans and finance schemes represent estimates of write-off costs (for example, if businesses default on their loans), which have a consequent cost to the government.

Chapter 5

Background notes

Revisions policy

5.1 This policy has been developed in accordance with the UK Statistics Authority Code of Practice for Official Statistics and HM Treasury's revisions policy:

www.gov.uk/government/uploads/system/uploads/attachment_data/file/191042/statistics_revisions_policy.pdf

5.2 There are two types of revision covered by the policy above: unscheduled revisions and scheduled revisions.

5.3 In line with the policy above, if a significant unscheduled revision is needed (for example, from an error in the result of the compilation, imputation or dissemination process), the statistical release and accompanying tables would be updated with a correction notice as soon as is practical.

User engagement

5.4 Users are encouraged to provide feedback on how these statistics are used and how well they meet user needs. Comments on any issues relating to this statistical release are welcomed and encouraged. Responses should be addressed to the "Public enquiries" contact given at the beginning of this document.

5.5 The department's engagement strategy to meet the needs of statistics users is published here:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/361916/User_engagement_Oct_14.pdf

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This document can be downloaded from www.gov.uk

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