# Department for Business, Energy and Industrial Strategy

## Introduction

1. This Estimate covers the planned budgetary expenditure of the Department for Business, Energy and Industrial Strategy (including its associated Arm's Length Bodies, notably UK Research and Innovation; the Nuclear Decommissioning Authority (NDA), including the Site Licence Companies who are accountable to the NDA through arms length commercial contracts; and the British Business Bank).

2. A number of international subscriptions in excess of £1 million are borne by this Estimate. These are listed in the Notes to the Estimate.

# Part I

| | Voted | Non-Voted | Total |
|---|---|---|---|
| | | | £ |
| **Departmental Expenditure Limit** | | | |
| Resource | **11,319,999,000** | -847,851,000 | 10,472,148,000 |
| Capital | **19,061,585,000** | -2,102,000 | 19,059,483,000 |
| **Annually Managed Expenditure** | | | |
| Resource | **54,855,478,000** | 480,000,000 | 55,335,478,000 |
| Capital | **3,838,923,000** | -142,400,000 | 3,696,523,000 |
| **Total Net Budget** | | | |
| Resource | **66,175,477,000** | -367,851,000 | 65,807,626,000 |
| Capital | **22,900,508,000** | -144,502,000 | 22,756,006,000 |
| **Non-Budget Expenditure** | **-** | | |
| **Net cash requirement** | **45,212,729,000** | | |

Amounts required in the year ending 31 March 2023 for expenditure by Department for Business, Energy and Industrial Strategy on:

**Departmental Expenditure Limit:**

<u>Expenditure arising from:</u>

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

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.

# Part I

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.

Support for the activities of the Position, Navigation and Timing (PNT) Office.

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.

Support for consumer and household energy bills.

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; Investment Security Unit; 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.

Governmental response to the coronavirus Covid-19 pandemic.

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.

Support for high risk projects with potential for transformative change through the Advanced Research and Invention Agency (ARIA), including set up costs.

# Part I

<u>Income arising from:</u>
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 and National Physical Laboratory. 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.

# Part I

**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.

Governmental response to the coronavirus Covid-19 pandemic.

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.

**Department for Business, Energy and Industrial Strategy** will account for this Estimate.

# Part I

| | Voted Total | Allocated in Vote on Account | Balance to complete or surrender |
|---|---|---|---|
| | | | **£** |
| **Departmental Expenditure Limit** | | | |
| Resource | 11,319,999,000 | 1,305,000,000 | **10,014,999,000** |
| Capital | 19,061,585,000 | 10,150,000,000 | **8,911,585,000** |
| **Annually Managed Expenditure** | | | |
| Resource | 54,855,478,000 | 1,776,802,000 | **53,078,676,000** |
| Capital | 3,838,923,000 | 351,671,000 | **3,487,252,000** |
| **Non-Budget Expenditure** | - | - | - |
| **Net cash requirement** | 45,212,729,000 | 19,580,046,000 | **25,632,683,000** |

# Part II: Subhead detail

**£'000**

| | 2022-23 Plans | | | | | | | | | 2021-22 Provisions | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Resources | | | | | | Capital | | | Resources | Capital |
| | Administration | | | Programme | | | | | | | |
| | Gross | Income | Net | Gross | Income | Net | Gross | Income | Net | Net | Net |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| **Spending in Departmental Expenditure Limits (DEL)** | | | | | | | | | | | |
| **Voted expenditure** | 671,632 | -1,950 | 669,682 | 10,680,193 | -29,876 | 10,650,317 | 19,212,955 | -151,370 | 19,061,585 | 10,170,148 | 22,095,399 |
| *Of which:* | | | | | | | | | | | |
| A Deliver an ambitious industrial strategy | - | - | - | 329,322 | -2,800 | 326,522 | 503,068 | -57,670 | 445,398 | 4,944,899 | 245,347 |
| B Maximise investment opportunities and bolster UK interests | - | - | - | 76,380 | - | 76,380 | 263,330 | - | 263,330 | 131,575 | 303,780 |
| C Promote competitive markets and responsible business practices | 5,269 | - | 5,269 | 230,328 | -884 | 229,444 | 38,250 | - | 38,250 | 227,106 | 51,599 |
| D Delivering affordable energy for households and businesses | - | - | - | 5,977,167 | - | 5,977,167 | 1,186,600 | -63,200 | 1,123,400 | 134,072 | 1,346,100 |
| E Ensuring that our energy system is reliable and secure | - | - | - | 1,661,944 | -7,692 | 1,654,252 | 1,712,643 | - | 1,712,643 | 688,976 | 1,363,950 |
| F Taking action on climate change and decarbonisation | - | - | - | 57,802 | - | 57,802 | 341,990 | - | 341,990 | 68,822 | 324,140 |
| G Managing our energy legacy safely and responsibly | - | - | - | 190,639 | - | 190,639 | 4,610 | - | 4,610 | 203,869 | 5,633,578 |
| H Science and Research | 200 | - | 200 | 17,671 | - | 17,671 | 4,035,633 | -5,000 | 4,030,633 | 40,989 | 917,081 |
| I Capability | 586,494 | -1,950 | 584,544 | 101,134 | - | 101,134 | 31,983 | - | 31,983 | 581,019 | 21,608 |
| J Government as Shareholder | - | - | - | 195,780 | -18,500 | 177,280 | 281,015 | -25,500 | 255,515 | 1,399,641 | 276,375 |
| K Promote competitive markets and responsible business practices (ALB) net | 9,806 | - | 9,806 | 62,852 | - | 62,852 | 3,440 | - | 3,440 | 61,455 | 7,753 |
| L Ensuring that our energy system is reliable and secure (ALB) net | - | - | - | 1 | - | 1 | - | - | - | 1 | - |
| M Taking action on climate change and decarbonisation (ALB) net | 5,085 | - | 5,085 | 16,255 | - | 16,255 | 2,400 | - | 2,400 | 14,658 | 5,165 |
| N Managing our energy legacy safely and responsibly (ALB) net | 12,193 | - | 12,193 | 33,092 | - | 33,092 | 33,049 | - | 33,049 | 37,873 | 45,351 |
| O Science and Research (ALB) net | 6,000 | - | 6,000 | 259,138 | - | 259,138 | 8,179,800 | - | 8,179,800 | 248,503 | 8,632,617 |
| P Capability (ALB) net | 1,585 | - | 1,585 | - | - | - | - | - | - | 1,585 | - |
| Q Government as Shareholder (ALB) net | - | - | - | -878 | - | -878 | 434,144 | - | 434,144 | 19,334 | 890,296 |
| R NDA and SLC expenditure (ALB) net | 45,000 | - | 45,000 | 1,471,566 | - | 1,471,566 | 2,161,000 | - | 2,161,000 | 1,365,771 | 2,030,659 |

# Part II: Subhead detail

£'000

| | 2022-23 Plans | | | | | | | | | 2021-22 Provisions | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Resources | | | | | | Capital | | | Resources | Capital |
| | Administration | | | Programme | | | | | | | |
| | Gross | Income | Net | Gross | Income | Net | Gross | Income | Net | Net | Net |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| **Non-voted expenditure** | - | - | - | - | -847,851 | -847,851 | - | -2,102 | -2,102 | -601,510 | -15,424 |
| *Of which:* | | | | | | | | | | | |
| S Science and Research (CFER) | - | - | - | - | - | - | - | -2,102 | -2,102 | -119 | -2,091 |
| T Nuclear Decommissioning Authority Income (CFER) | - | - | - | - | -847,851 | -847,851 | - | - | - | -600,000 | - |
| *Deliver an ambitious industrial strategy (CFER)* | - | - | - | - | - | - | - | - | - | -1,391 | -13,333 |
| **Total Spending in DEL** | **671,632** | **-1,950** | **669,682** | **10,680,193** | **-877,727** | **9,802,466** | **19,212,955** | **-153,472** | **19,059,483** | **9,568,638** | **22,079,975** |
| **Spending in Annually Managed Expenditure (AME)** | | | | | | | | | | | |
| **Voted expenditure** | - | - | - | 55,101,210 | -245,732 | 54,855,478 | 11,838,923 | -8,000,000 | 3,838,923 | 188,853,432 | 4,787,217 |
| *Of which:* | | | | | | | | | | | |
| U Deliver an ambitious industrial strategy | - | - | - | 28,163 | -18,000 | 10,163 | - | - | - | 172,316 | - |
| V Promote competitive markets and responsible business practices | - | - | - | 88,300 | - | 88,300 | - | - | - | 74,150 | - |
| W Ensuring that our energy system is reliable and secure | - | - | - | -1,689,000 | - | -1,689,000 | - | - | - | 530,900 | - |
| X Managing our energy legacy safely and responsibly | - | - | - | -70,709 | - | -70,709 | 18,677 | - | 18,677 | -85,671 | 23,091 |
| Y Science and Research | - | - | - | 17,488,795 | - | 17,488,795 | 2,934,000 | - | 2,934,000 | 17,496,601 | 2,934,000 |
| Z Capability | - | - | - | 2,338 | - | 2,338 | 72 | - | 72 | 22,845 | 30,000 |
| AA Government as Shareholder | - | - | - | 216,000 | -227,732 | -11,732 | 8,885,878 | -8,000,000 | 885,878 | 992,976 | 1,788,460 |
| AB Renewable Heat Incentive | - | - | - | 1,079,000 | - | 1,079,000 | - | - | - | 1,026,000 | - |
| AC Deliver an ambitious industrial strategy (ALB) net | - | - | - | 28,002 | - | 28,002 | - | - | - | 19,800 | 10,000 |
| AD Promote competitive markets and responsible business practices (ALB) net | - | - | - | 522 | - | 522 | - | - | - | 960 | - |
| AE Taking action on climate change and decarbonisation (ALB) net | - | - | - | 25,000,000 | - | 25,000,000 | - | - | - | 25,000,000 | - |
| AF Managing our energy legacy safely and responsibly (ALB) net | - | - | - | 1,217 | - | 1,217 | 296 | - | 296 | 3,103,928 | 1,866 |

# Part II: Subhead detail

£'000

| | 2022-23 Plans | | | | | | | | | 2021-22 Provisions | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Resources | | | | | | Capital | | | Resources | Capital |
| | Administration | | | Programme | | | | | | | |
| | Gross | Income | Net | Gross | Income | Net | Gross | Income | Net | Net | Net |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| AG Science and Research (ALB) net | - | - | - | 109,240 | - | 109,240 | - | - | - | 203,479 | - |
| AH Capability (ALB) net | - | - | - | 5 | - | 5 | - | - | - | 4 | - |
| AI Government as Shareholder (ALB) net | - | - | - | -15,950 | - | -15,950 | - | - | - | 9,553 | -200 |
| AJ Nuclear Decommissioning Authority (ALB) net | - | - | - | 12,835,287 | - | 12,835,287 | - | - | - | 134,876,000 | - |
| *Delivering affordable energy for households and businesses* | - | - | - | - | - | - | - | - | - | 5,409,000 | - |
| *Taking action on climate change and decarbonisation* | - | - | - | - | - | - | - | - | - | 591 | - |
| **Non-voted expenditure** | - | - | - | 480,000 | - | 480,000 | - | -142,400 | -142,400 | 450,000 | -142,400 |
| *Of which:* | | | | | | | | | | | |
| AK Managing our energy legacy safely and responsibly (CFER) | - | - | - | - | - | - | - | -142,400 | -142,400 | - | -142,400 |
| AL Promote competitive markets and responsible business practices | - | - | - | 480,000 | - | 480,000 | - | - | - | 450,000 | - |
| **Total Spending in AME** | **-** | **-** | **-** | **55,581,210** | **-245,732** | **55,335,478** | **11,838,923** | **-8,142,400** | **3,696,523** | **189,303,432** | **4,644,817** |
| **Total for Estimate** | **671,632** | **-1,950** | **669,682** | **66,261,403** | **-1,123,459** | **65,137,944** | **31,051,878** | **-8,295,872** | **22,756,006** | **198,872,070** | **26,724,792** |
| *Of which:* | | | | | | | | | | | |
| **Voted Expenditure** | 671,632 | -1,950 | 669,682 | 65,781,403 | -275,608 | 65,505,795 | 31,051,878 | -8,151,370 | 22,900,508 | 199,023,580 | 26,882,616 |
| **Non Voted Expenditure** | - | - | - | 480,000 | -847,851 | -367,851 | - | -144,502 | -144,502 | -151,510 | -157,824 |

# Part II: Resource to cash reconciliation

| | 2022-23 Plans | 2021-22 Provisions | 2020-21 Outturn |
|---|---|---|---|
| | | | **£'000** |
| **Net Resource Requirement** | **65,807,626** | **198,872,070** | **14,344,319** |
| **Net Capital Requirement** | **22,756,006** | **26,724,792** | **39,993,863** |
| **Accruals to cash adjustments** | **-43,863,256** | **-182,395,909** | **9,722,452** |
| *Of which:* | | | |
| *Adjustment for ALBs:* | | | |
| Remove voted resource and capital | -50,694,147 | -176,586,411 | -14,212,046 |
| Add cash grant-in-aid | 13,000,159 | 13,878,872 | 13,116,128 |
| *Adjustments to remove non-cash items:* | | | |
| Depreciation | -340,711 | -412,680 | -101,672 |
| New provisions and adjustments to previous provisions | -17,453,335 | -25,258,814 | -225,344 |
| Departmental Unallocated Provision | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Prior Period Adjustments | - | - | - |
| Other non-cash items | 43,345 | 23,166 | 66,801 |
| *Adjustments to reflect movements in working balances:* | | | |
| Increase (+) / Decrease (-) in stock | - | - | - |
| Increase (+) / Decrease (-) in debtors | - | -556,125 | - |
| Increase (-) / Decrease (+) in creditors | 11,397,645 | 6,293,100 | - |
| Use of provisions | 183,788 | 222,983 | 11,078,585 |
| **Removal of non-voted budget items** | **512,353** | **309,334** | **300,025** |
| *Of which:* | | | |
| Consolidated Fund Standing Services | - | - | - |
| Other adjustments | 512,353 | 309,334 | 300,025 |
| **Net Cash Requirement** | **45,212,729** | **43,510,287** | **64,360,659** |

## Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

£'000

| | 2022-23 Plans | 2021-22 Provisions | 2020-21 Outturn |
|---|---|---|---|
| Gross Administration Costs | 671,632 | 605,584 | 552,533 |
| *Less:* | | | |
| Administration DEL Income | -1,950 | -11,947 | -23,865 |
| **Net Administration Costs** | **669,682** | **593,637** | **528,668** |
| Gross Programme Costs | 84,167,984 | 220,609,804 | 53,508,531 |
| *Less:* | | | |
| Programme DEL Income | -877,727 | -1,026,105 | -1,452,315 |
| Programme AME Income | -245,732 | -255,824 | -107,361 |
| Non-budget income | - | - | - |
| **Net Programme Costs** | **83,044,525** | **219,327,875** | **51,948,855** |
| **Total Net Operating Costs** | **83,714,207** | **219,921,512** | **52,477,523** |
| *Of which:* | | | |
| Resource DEL | 10,316,544 | 9,395,413 | 10,417,093 |
| Capital DEL | 14,870,953 | 17,092,474 | 16,554,705 |
| Resource AME | 55,506,832 | 189,511,165 | 5,776,639 |
| Capital AME | 3,019,878 | 3,922,460 | 19,729,086 |
| Non-budget | - | - | - |
| *Adjustments to include:* | | | |
| Departmental Unallocated Provision (resource) | - | - | - |
| Consolidated Fund Extra Receipts in the budget but not in the SoCNE | - | - | - |
| *Adjustments to remove:* | | | |
| Capital in the SoCNE | -17,890,831 | -21,014,934 | -36,283,791 |
| Grants to devolved administrations | - | - | - |
| Non-Budget Consolidated Fund Extra Receipts in the SoCNE | - | - | - |
| Other adjustments | -15,750 | -34,508 | -1,849,413 |
| **Total Resource Budget** | **65,807,626** | **198,872,070** | **14,344,319** |
| *Of which:* | | | |
| Resource DEL | 10,472,148 | 9,568,638 | 22,496,433 |
| Resource AME | 55,335,478 | 189,303,432 | -8,152,114 |
| *Adjustments to include:* | | | |
| Grants to devolved administrations | - | - | - |
| Prior period adjustments | - | - | - |
| *Adjustments to remove:* | | | |
| Consolidated Fund Extra Receipts in the resource budget | 847,851 | 601,510 | 599,466 |
| Other adjustments | -847,851 | -601,510 | -599,466 |
| **Total Resource (Estimate)** | **65,807,626** | **198,872,070** | **14,344,319** |

# Part III: Note B - Analysis of Departmental Income

**£'000**

| | 2022-23 Plans | 2021-22 Provision | 2020-21 Outturn |
|---|---|---|---|
| **Voted Resource DEL** | **-31,826** | **-315,436** | **-701,039** |
| *Of which:* | | | |
| Administration | | | |
| Sales of Goods and Services | - | -9,505 | -11,314 |
| *Of which:* | | | |
| C Promote competitive markets and responsible business practices | - | - | -9 |
| I Capability | - | -9,505 | -11,305 |
| Other Grants | -1,950 | -1,160 | -1,725 |
| *Of which:* | | | |
| I Capability | -1,950 | -1,160 | -1,725 |
| Other Income | - | -1,282 | -10,807 |
| *Of which:* | | | |
| C Promote competitive markets and responsible business practices | - | - | -8 |
| I Capability | - | -1,282 | -10,799 |
| Pensions | - | - | -19 |
| *Of which:* | | | |
| I Capability | - | - | -19 |
| Total Administration | -1,950 | -11,947 | -23,865 |
| | | | |
| Programme | | | |
| Sales of Goods and Services | -8,435 | -187,868 | -625,617 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | - | - | -342,536 |
| B Maximise investment opportunities and bolster UK interests | - | - | -9 |
| C Promote competitive markets and responsible business practices | -884 | -179,651 | -274,673 |
| E Ensuring that our energy system is reliable and secure | -7,551 | -7,551 | -6,898 |
| G Managing our energy legacy safely and responsibly | - | - | -1 |
| H Science and Research | - | - | -1 |
| I Capability | - | - | -390 |
| J Government as Shareholder | - | -666 | -1,109 |
| Interest and Dividends | -21,300 | -33,132 | -35,360 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | -2,800 | -2,800 | -8,436 |
| B Maximise investment opportunities and bolster UK interests | - | - | -911 |
| J Government as Shareholder | -18,500 | -30,332 | -26,013 |
| Other Grants | - | - | -892 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | - | - | -14 |
| B Maximise investment opportunities and bolster UK interests | - | - | -860 |
| H Science and Research | - | - | -18 |

# Part III: Note B - Analysis of Departmental Income

£'000

| | 2022-23 Plans | 2021-22 Provision | 2020-21 Outturn |
|---|---|---|---|
| Other Income | -141 | -79,089 | -4,142 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | - | -78,948 | -50 |
| B Maximise investment opportunities and bolster UK interests | - | - | -52 |
| C Promote competitive markets and responsible business practices | - | - | -3,461 |
| D Delivering affordable energy for households and businesses | - | - | -37 |
| E Ensuring that our energy system is reliable and secure | -141 | -141 | -69 |
| F Taking action on climate change and decarbonisation | - | - | -58 |
| J Government as Shareholder | - | - | -415 |
| Taxation | - | -3,400 | -11,163 |
| *Of which:* | | | |
| C Promote competitive markets and responsible business practices | - | -3,400 | -11,163 |
| Total Programme | -29,876 | -303,489 | -677,174 |
| **Voted Resource AME** | **-245,732** | **-255,824** | **-98,203** |
| *Of which:* | | | |
| Programme | | | |
| Sales of Goods and Services | -162,778 | -231,525 | -44,765 |
| *Of which:* | | | |
| AA Government as Shareholder | -162,778 | -231,525 | -44,765 |
| Interest and Dividends | - | -2,000 | -2,554 |
| *Of which:* | | | |
| AA Government as Shareholder | - | -2,000 | -2,554 |
| Other Income | -82,954 | -22,299 | -50,884 |
| *Of which:* | | | |
| U Deliver an ambitious industrial strategy | -18,000 | -18,000 | -17,394 |
| W Ensuring that our energy system is reliable and secure | - | - | -4,108 |
| X Managing our energy legacy safely and responsibly | - | - | -29,382 |
| AA Government as Shareholder | -64,954 | -4,299 | - |
| Total Programme | -245,732 | -255,824 | -98,203 |
| **Total Voted Resource Income** | **-277,558** | **-571,260** | **-799,242** |
| **Voted Capital DEL** | **-151,370** | **-190,206** | **-733,903** |
| *Of which:* | | | |
| Programme | | | |
| Sales of Assets | - | - | -110,411 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | - | - | -86,970 |
| C Promote competitive markets and responsible business practices | - | - | -13,792 |
| I Capability | - | - | -9,649 |
| EU Grants Received | - | - | -1,024 |
| *Of which:* | | | |
| H Science and Research | - | - | -1,023 |
| J Government as Shareholder | - | - | -1 |

# Part III: Note B - Analysis of Departmental Income

£'000

| | 2022-23 Plans | 2021-22 Provision | 2020-21 Outturn |
|---|---|---|---|
| Sales of Goods and Services | - | -15,606 | -16,253 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | - | -15,606 | -15,193 |
| F Taking action on climate change and decarbonisation | - | - | -42 |
| H Science and Research | - | - | -1,018 |
| Other Grants | - | -105,500 | -158,398 |
| *Of which:* | | | |
| E Ensuring that our energy system is reliable and secure | - | -33,500 | - |
| F Taking action on climate change and decarbonisation | - | -25,000 | - |
| H Science and Research | - | -47,000 | -60,581 |
| J Government as Shareholder | - | - | -97,817 |
| Other Income | -57,670 | -49,100 | -343,074 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | -57,670 | -48,600 | -336,183 |
| B Maximise investment opportunities and bolster UK interests | - | - | -1,124 |
| J Government as Shareholder | - | -500 | -5,767 |
| Repayments | -93,700 | -20,000 | -104,743 |
| *Of which:* | | | |
| A Deliver an ambitious industrial strategy | - | - | -1,481 |
| C Promote competitive markets and responsible business practices | - | - | -372 |
| D Delivering affordable energy for households and businesses | -63,200 | - | -85,931 |
| H Science and Research | -5,000 | - | -2,484 |
| J Government as Shareholder | -25,500 | -20,000 | -14,475 |
| Total Programme | -151,370 | -190,206 | -733,903 |
| **Voted Capital AME** | **-8,000,000** | **-8,000,000** | **-3,097,006** |
| *Of which:* | | | |
| Programme | | | |
| Repayments | -8,000,000 | -8,000,000 | -3,097,006 |
| *Of which:* | | | |
| AA Government as Shareholder | -8,000,000 | -8,000,000 | -3,097,006 |
| Total Programme | -8,000,000 | -8,000,000 | -3,097,006 |
| **Total Voted Capital Income** | **-8,151,370** | **-8,190,206** | **-3,830,909** |

# Part III: Note C - Analysis of Consolidated Fund Extra Receipts

In addition to income retained by the Department the following income is payable to the Consolidated Fund:

£'000

| | 2022-23 Plans | | 2021-22 Provisions | | 2020-21 Outturn | |
|---|---|---|---|---|---|---|
| | **Income** | ***Receipts*** | **Income** | ***Receipts*** | **Income** | ***Receipts*** |
| Income in budgets surrendered to the Consolidated Fund (resource) | -847,851 | *-847,851* | -601,510 | *-601,510* | -599,466 | *-736,000* |
| Income in budgets surrendered to the Consolidated Fund (capital) | -144,502 | *-144,502* | -157,824 | *-157,824* | -142,400 | *-142,400* |
| Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE) | - | - | - | - | - | - |
| **Total** | **-992,353** | ***-992,353*** | **-759,334** | ***-759,334*** | **-741,866** | ***-878,400*** |

## Detailed description of CFER sources

£'000

| | 2022-23 Plans | | 2021-22 Provisions | | 2020-21 Outturn | |
|---|---|---|---|---|---|---|
| | **Income** | ***Receipts*** | **Income** | ***Receipts*** | **Income** | ***Receipts*** |
| **Departmental Expenditure Limit** | | | | | | |
| Nuclear Decommissioning Authority Resource DEL | -847,851 | *-847,851* | -600,000 | *-600,000* | -599,466 | *-736,000* |
| Loan interest Resource DEL | - | - | -1,510 | *-1,510* | - | - |
| Loan repayments Capital DEL | -2,102 | *-2,102* | -15,424 | *-15,424* | - | - |
| **Annually Managed Expenditure** | | | | | | |
| Coal Pension Capital AME | -142,400 | *-142,400* | -142,400 | *-142,400* | -142,400 | *-142,400* |
| **Total** | **-992,353** | ***-992,353*** | **-759,334** | ***-759,334*** | **-741,866** | ***-878,400*** |

# Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

| | |
|---|---|
| **Accounting Officer:** | Sarah Munby |

**Executive Agency Accounting Officers:**

| | |
|---|---|
| Louise Smyth | Companies House |
| Dean Beale | Insolvency Service |
| Dr Paul Bate | UK Space Agency |

In accordance with Chapter 3 of Managing Public Money (issued by the Treasury), the following individuals have been appointed as Accounting Officers of the department's ALBs.

**ALB Accounting Officers:**

| | |
|---|---|
| Susan Clews | Advisory, Conciliation and Arbitration Service |
| Carl Creswell | BIS (Postal Services Act 2011) Company Limited |
| Catherine Lewis La Torre | British Business Bank |
| Joanna Shanmugalingam | British Technology Investments Limited |
| Simon Chesterman | Civil Nuclear Police Authority |
| Lisa Pinney | Coal Authority |
| Chris Stark | Committee on Climate Change |
| Charles Dhanowa | Competition Service |
| Catherine Lewis La Torre | Cornwall and Isles of Scilly Investment Limited |
| Prof. Ottoline Leyser | Diamond Light Source Limited |
| Neil McDermott | Electricity Settlements Company |
| Sir Jonathan Thompson | Financial Reporting Council |
| Neil McDermott | Low Carbon Contracts Company |
| Catherine Lewis La Torre | Midlands Engine Investments Limited |
| Sarah Munby | The NESTA Trust |
| Catherine Lewis La Torre | Northern Powerhouse Investments Limited |
| David Peattie | Nuclear Decommissioning Authority |
| Andy Samuel | Oil and Gas Authority |
| Sarah Munby | Postal Services Holding Company Limited |
| Annie Shepperd | Salix Finance Limited |
| Prof. Ian Chapman | UK Atomic Energy Authority |
| Prof. Ottoline Leyser | UK Research and Innovation |
| Richard Semple | UK Shared Business Service Limited |

**Site Licence Company Accountability:**

The Site Licence Companies are accountable to the Nuclear Decommissioning Authority.

Sarah Munby has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

# Part III: Note D - Explanation of Accounting Officer responsibilities

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;

- making judgements and estimates on a reasonable basis;

- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and

- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.

In accordance with Managing Public Money requirements, the relationship between the Principal Accounting Officer and Additional Accounting Officer(s) together with their respective responsibilities, is set out in writing. Similarly, the relationship between the Principal Accounting Officer and the ALB Accounting Officer(s) is set out in writing.

# Part III: Note E - Arm's Length Bodies (ALBs)

**£'000**

| Section in Part II: Subhead Detail | Body | Resources | Capital | Grant-in-aid |
|---|---|---|---|---|
| K | ACAS (Advisory, Conciliation and Arbitration Service) | 64,010 | 2,900 | 58,717 |
| K | Competition Service | 8,648 | 540 | 6,582 |
| K | Financial Reporting Council | - | - | - |
| L | Electricity Settlements Company | 1 | - | - |
| M | Committee on Climate Change | 5,085 | - | 4,950 |
| M | Low Carbon Contracts Company | 4,293 | - | 4,097 |
| M | Salix | 11,962 | 2,400 | 10,200 |
| N | Civil Nuclear Police Authority | 7,343 | 5,057 | 5,357 |
| N | Coal Authority | 34,695 | 27,842 | 52,700 |
| N | Oil & Gas Authority | 3,247 | 150 | 1,900 |
| O | Diamond Light Source Ltd | 34,700 | - | - |
| O | UK Research and Innovation | 224,496 | 7,946,500 | 8,936,297 |
| O | United Kingdom Atomic Energy Authority | 5,942 | 233,300 | 233,000 |
| P | UK Shared Business Services Ltd | 1,585 | - | - |
| Q | BIS (Postal Services Act 2011) Company Limited | 2,300 | - | - |
| Q | British Business Bank | -9,452 | 289,247 | 1,019 |
| Q | British Technology Investments Limited | 900 | 20,000 | 900 |
| Q | Cornwall and Isles of Scilly Investments Limited | 199 | 7,420 | 255 |
| Q | Midlands Engine Investment Limited | 1,935 | 56,242 | 4,816 |
| Q | Northern Powerhouse Investment Limited | 3,240 | 61,235 | 6,308 |
| R | Nuclear Decommissioning Authority † | 308,066 | 32,400 | 3,673,061 |
| R | Site Licence Companies | 1,208,500 | 2,128,600 | - |
| AC | The NESTA Trust | 28,002 | - | - |
| AD | ACAS (Advisory, Conciliation and Arbitration Service) | 507 | - | - |
| AD | Competition Service | 15 | - | - |
| AE | Low Carbon Contracts Company | 25,000,000 | - | - |
| AF | Civil Nuclear Police Authority | 147 | 296 | - |
| AF | Coal Authority | 1,035 | - | - |
| AF | Oil & Gas Authority | 35 | - | - |
| AG | UK Research and Innovation | 112,310 | - | - |
| AG | United Kingdom Atomic Energy Authority | -3,070 | - | - |
| AH | UK Shared Business Services Ltd | 5 | - | - |
| AI | BIS (Postal Services Act 2011) Company Limited | 10,000 | - | - |
| AI | British Business Bank | 41,331 | - | - |
| AI | Enrichment Holdings Limited | -80,000 | - | - |
| AI | Northern Powerhouse Investment Limited | 12,719 | - | - |
| AJ | Nuclear Decommissioning Authority | 12,835,287 | - | - |
| **Total** | | **39,880,018** | **10,814,129** | **13,000,159** |

† Grant-in-aid is paid to the Nuclear Decommissioning Authority which finances both the Nuclear Decommissioning Authority and the Site Licence Companies.

# Part III: Note G - Expenditure resting on the sole authority of the Supply and Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Supply and Appropriation Act

| Section in Part II: Subhead Detail | Service | £'000 |
| --- | --- | --- |
| D4-DEL | Energy Bills Support Scheme | 5,814,428 |
| F4-DEL | International Energy, and Climate Change: international subscriptions and contributions | 5,456 |
| G4-DEL | Non-proliferation, and Nuclear Energy: international subscriptions and contributions | 21,986 |
| G4-DEL | UK Coal Cohort Concessionary Fuel costs | 1,593 |

# Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| Contingent Liabilities notified to Parliament during 2021-22:- | |
| - Bulb Special Administration Regime<br>- Extension of nuclear third party liability regime<br>- Baglan Operations Limited and Baglan Group Companies - Official Receiver indemnity | |
| As at 31 March 2021 the following liabilities fell to be met from the Department's Estimate:- | |
| Statutory Guarantees | |
| – Under section 9 of the British Aerospace Act 1980, the government is liable to discharge any outstanding liability of BAE Systems plc which vested in the company on 1 January 1981 in the event of its being wound up other than for the purpose of reconstruction or amalgamation. | Unquantifiable |
| Statutory Indemnities | |
| – Indemnities have been given to the UK Atomic Energy Authority to cover certain indemnities provided by the Authority to carriers and British Nuclear Fuels plc against certain claims for damage caused by nuclear matter in the course of carriage. | Unquantifiable |
| – Indemnities have been given to bankers of the Insolvency Service against certain liabilities arising in respect of non-transferable “account payee” cheques due to insolvent estates and paid into the Insolvency Service’s account. | Unquantifiable |
| – Indemnity has been given to National Grid’s liabilities with regards to the interconnector linking the UK and France. | Unquantifiable |
| – A statutory liability will arise under the Nuclear Installations Act 1965 for third-party claims in excess of the operator’s liability in the event of a nuclear accident in the UK. | Unquantifiable |
| – A contingent liability exists in relation to the possibility of claims for any exposure to ionising radiation arising from the fusion activities of the UK Atomic Energy Authority. | Unquantifiable |
| Intellectual Property | |
| – A liability to the European Patent Office could arise under Article 40 of the European Patent Convention of 1973 as the UK is one of the contracting states. | Unquantifiable |
| – A liability to the World Intellectual Property Organisation could arise under Article 57 of the Patent Cooperation Treaty as the UK is one of the contracting states. | Unquantifiable |
| Data usage indemnities | |
| – An indemnity has been provided to Pöyry PLC (now ARFY) relating to the use of their yield curve data for the sale of Green Investment Bank. The core Department indemnified Pöyry PLC for any liability that occurs as a result of using their information in the sale process that may be brought by bidders in relation to the transaction. | Unquantifiable |
| Legal costs | |
| – A contingent liability exists in relation to ongoing legal cases. The cost is dependent on the outcome of cases which currently cannot be reliably estimated. | Unquantifiable |
| – Under an agreement with the Financial Reporting Council (FRC), if the amount held in their legal costs fund falls below £1 million in any year, an additional grant will be made to cover legal costs subsequently incurred in that year. | Unquantifiable |

# Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| Indemnities against personal liability | |
| – Indemnities have been given to the directors appointed by the core Department to wholly owned subsidiaries. These indemnities are against personal liability following any legal action against the companies. | Unquantifiable |
| – Indemnities have been provided to directors appointed to the Low Carbon Contracts Company Limited and Electricity Settlements Company Limited against personal liability following any legal action against the companies, to be triggered only after all other means have been excluded i.e. company and directors' insurance and recovery of costs through their levies. | Unquantifiable |
| – Indemnities have been provided to the Low Carbon Contracts Company Limited and Electricity Settlements Company Limited in respect of their officers, to be triggered only after all other means have been excluded i.e. company and directors' insurance and recovery of costs through their levies. | Unquantifiable |
| – Indemnities have been provided to trustees of the Nuclear Liabilities Fund appointed by the Secretary of State against personal liability in the event of legal action against the Fund. | Unquantifiable |
| – Indemnities have been provided to trustees of the Nuclear Liabilities Fund appointed by British Energy (now EDF Energy) against personal liability in the event of legal action against the Fund, to be triggered only in the event of failed recourse to indemnities from EDF Energy. | Unquantifiable |
| – Indemnities have been provided to the Official Receiver relating to actions undertaken in respect of administration of specified companies. | Unquantifiable |
| – Indemnities have been provided to the Oil and Gas Authority in respect of certain liabilities that could arise from the actions or omissions of its directors and otherwise arising from a director holding or having held office in the company. | Unquantifiable |
| – Indemnities have been provided to the MCS Service Company Limited and trustees of the MCS Charitable Foundation for any liability that might arise as a result of actions taken and decisions made for which the Core Department was ultimately responsible prior to transfer to the Company and Charitable Foundation of responsibility for the Microgeneration Certification Scheme (MCS) in April 2018. | Unquantifiable |
| – An indemnity has been provided to the Chair of the Post Office Horizon IT Inquiry in respect of any liabilities he may incur as a result of holding, or having held, this position. | Unquantifiable |
| – An indemnity has been provided to Elexon Limited against third party claims relating to the design and/or implementation of the Contracts for Difference and Capacity Markets settlement systems which are not covered by insurance and/or guarantees by their sub-contractors. | Unquantifiable |
| Losses or damages under agreements | |
| – An indemnity has been provided for any losses or damages caused to other parties to the Energy Research Partnership consortium agreement. | Unquantifiable |
| Environmental clean-up | |
| – A contingent liability exists in relation to the costs of retrieving and disposing of sealed radioactive sources in the event that a company keeping such sources becomes insolvent under the Environmental Permitting (England and Wales) Regulations 2016 in the event that a company keeping such sources becomes insolvent. | Unquantifiable |

# Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| – A contingent liability arises in relation to the remediation of land contaminated by a nuclear occurrence as the Secretary of State is deemed to be the appropriate person to bear responsibility under section 9 of The Radioactive Contaminated Land (Modification of Enactments) (England) (Amendment) Regulations 2007 SI 2007/3245. | Unquantifiable |
| – Core Department – Nuclear Liabilities Fund: The Nuclear Liabilities Fund was established in 1996 to meet certain costs of decommissioning eight nuclear power plants in the UK that have been owned and operated by EDF Energy Nuclear Generation Limited since 2009. A constructive obligation was created in 2002 when the government undertook to underwrite the Fund in respect of these liabilities to the extent that the assets of the Fund might fall short; any surplus generated by the Fund would be paid over to the government once the liabilities have been met. The total undiscounted estimated liability as at 31 March 2021 of £23.5 billion (31 March 2020: £23.3 billion) has a present value of £23.8 billion (31 March 2020: £24.1 billion). The value of the Fund as at 31 March 2021 is £14.7 billion (31 March 2020: £9.4 billion). It is not possible to quantify the extent to which the Fund might be in deficit or surplus with respect to the liabilities as at 31 March 2021 given the high level of uncertainty relating to estimation of decommissioning costs and investment returns on Fund assets over a future period exceeding 100 years. | Unquantifiable |
| – Under the United Nations Convention on the Law of the Sea (UNCLOS) 1982, OSPAR decision 98/3, the Energy Act 2004 and the Petroleum Act 1998, the department would become responsible for decommissioning most oil, gas and renewable energy installations in the event that operators are unable to fulfil their decommissioning commitments. | Unquantifiable |
| Vaccines Taskforce | |
| – The Core Department has undertaken to bear costs in relation to contingent liabilities for the COVID-19 Relief Claim and study sponsor indemnity for the Human Challenge Project (announced on 20 October 2020) being undertaken by Imperial College, London, that may arise in specific circumstances and are not covered by the insurance policy taken out by Imperial College for this purpose. The responsibility for these contingent liabilities will transfer to the Department for Health and Social Care (DHSC) following the Machinery of Government change in 2021-22 (expected after the Supplementary estimates). | Unquantifiable |
| – The Core Department is responsible for indemnities related to vaccine manufacturing defects. These indemnities are for any adverse reactions to the vaccine candidates that could not have been foreseen through the robust checks and procedures that have been put in place. The Government announced on 1 March 2021 the joint unit for the Vaccine Taskforce between BEIS and DHSC, which specifies that DHSC will assume practical responsibility for these indemnities from 1 August 2021. The responsibility for these indemnities will formally transfer to DHSC following the Machinery of Government change in 2021-22. | Unquantifiable |
| Others | |
| – A contingent liability exists in respect of the risks associated with the Department assuming responsibility for uplifts in pension contributions for the UK Atomic Energy Authority's non-active pension scheme members. | Unquantifiable |

## Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| – The Secretary of State Investor Agreement (SOSIA) provides protections in certain scenarios where the Hinkley Point C nuclear plant is shut down for reasons that are political or due to certain changes in insurance arrangements or certain changes in law. Payments under the SOSIA would be expected in the first instance to be made using funds from the Supplier Obligation but in certain circumstances they could also come direct from the Secretary of State, relying on spending powers granted under the relevant Appropriation Act or, if payments were to be made over a period longer than two years, seeking a new spending power at the time. The payments could be up to around £22 billion excluding non-decommissioning operational costs that may be incurred after any shutdown. However, the liability to make payments under the SOSIA is almost entirely within the control of HM Government. | Unquantifiable |
| – UK Space Agency has an unquantifiable contingent liability arising from the international (UN) convention, which requires the UK Government to be ultimately liable for third party costs from accidental damage arising from UK space activities. To manage the risk to the Government, the Outer Space Act 1986 requires licensees to indemnify HMG against any proven third party costs. In March 2015 the Outer Space Act 1986 was amended to cap the previously unlimited liability for licensed activities. The cap is set at €60 million euro for the majority of missions. This amendment came into force from 1 October 2015 and was designed to adequately balance the risk to the UK Government whilst ensuring UK space operators remain competitive internationally. There is a requirement on licensees to obtain third party liability insurance (set at €60 million euro for the majority of missions) for the duration of the licensed activity, with the UK Government a named beneficiary. The UK government is therefore exposed to a potential liability for third party costs which are not recoverable from the licensee. The liability is unidentifiable at the time of reporting. | Unquantifiable |
| – UKRI collaborates with a number of other international partners in the funding, management and operation of technical facilities which are not owned by UKRI. In the event of a decision to withdraw from any of these arrangements, it is likely that UKRI would assist in the search for a replacement partner to ensure that technical commitments were met. The most significant international collaborations are in respect of CERN and ESO. For both of these facilities there is the possibility that UKRI would be obliged to contribute to decommissioning costs arising from a decision taken to discontinue operations. The decisions to decommission are not wholly within UKRI's control. | Unquantifiable |
| – The NDA has non-quantifiable contingent liabilities arising from indemnities given as part of the contracts for the management of the nuclear site license companies. These indemnities are in respect of the uninsurable residual risk that courts in a country which is not party to the Paris and Brussels Conventions on third party liability in the field of nuclear energy may accept jurisdiction to determine liability in the event of a nuclear incident. Indemnities are in place in respect of LLWR and Dounreay as set out in the relevant Parent Body Agreements. In addition, indemnities are provided to the previous Parent Body Organisations (PBOs) of Magnox and Sellafield covering the periods of their ownership. | Unquantifiable |
| – UKRI - Indemnity to Roslin Institute - The former Biotechnology and Biological Sciences Research Council (BBSRC) sponsored Roslin Institute transferred to the University of Edinburgh on 13 May 2008. BBSRC agreed to provide indemnity for any potential costs that arise as a result of past actions of the Institute and indemnity for any fall in grant income of the Neuropathogenesis Unit as a result of the transfer. The proportion of settlement UKRI will fund declines on an annual basis and is limited to claims up to May 2023. | Unquantifiable |

# Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| – Core Department - Financial Reporting Council funding: A guarantee has been given to the Financial Reporting Council that, if the Council’s general voluntary funding from external sources falls sufficiently for the department to have to consider making legislation to activate the statutory levy under section 17 of the Companies (Audit, Investigations and Community Enterprise) Act 2004, the department will make such a grant to cover the Council’s costs as is sufficient to meet the preconditions in those levy raising powers provided the requisite funding has not been made available through another grant. | Unquantifiable |
| – Core Department - Deeds Relating to the Mineworkers' Pension Scheme and British Coal Staff Superannuation Scheme under Paragraph 2(9) of Schedule 5 to the Coal Industry Act 1994: Government guarantees were put in place on 31 October 1994, the day the schemes were changed to reflect the impact of the privatisation of the coal industry. They are legally binding contracts between the scheme Trustees and the Secretary of State for Business, Energy and Industrial Strategy. The guarantees ensure that benefits earned by scheme members during their employment with British Coal, and any benefit improvements from surpluses which were awarded prior to 31 October 1994, will always be paid and will be increased each year in line with the Retail Prices Index. If, at any periodic valuation, the assets of the Guaranteed Fund of either scheme were to be insufficient to meet its liabilities, the assets must be increased to bring the Fund back into balance. This is a long term contingent liability dependent on the performance of the schemes' investments and their mortality experience. | Unquantifiable |
| – Core Department - Indemnity to Public Appointments Assessors (PAAs): The Cabinet Secretary has provided a government-wide indemnity to Public Appointments Assessors (PAAs) against personal civil liabilities incurred in the execution of their PAA functions. | Unquantifiable |
| – Core Department - Site restoration liabilities inherited from British Coal: The department inherited responsibility from British Coal to reimburse certain third parties for costs incurred meeting statutory environmental standards in the restoration of particular coal-related sites. | Unquantifiable |
| – Core Department - Horizon 2020 Funding - In July 2018, the UK Government announced an extension of its guarantee of EU-funded projects after the UK has left the EU. The guarantee was originally announced in 2016. The UK left the EU on 31st January 2020 Under the terms of the Withdrawal Agreement, the European Union can exclude UK participation in Horizon 2020 EU-funded grants which involve security related sensitive information. This means that for security related projects under the Horizon, there is a doubt over continued EU funding. The guarantee in relation to Horizon 2020 is unquantifiable due to the European Commission administering and holding the information in relation to the scheme. There are uncertainties around the total amount that may be payable if the settlement were to occur. | Unquantifiable |
| – Core Department - Compensation for exclusion from grant scheme: The Core Department may become liable for funding the costs of compensation to certain claimants whose applications to the GB Non-Domestic Renewable Heat Incentive scheme had been rejected, following a court judgment that their applications for accreditation had not been processed in full accordance with scheme regulations. | Unquantifiable |
| – Core Department - Wave Hub transfer: The department has indemnified Cornwall Council up to 2028 in respect of the transfer of Wave Hub to a maximum amount of £5 million. | 5,000 |

# Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| – Coal Authority - Environmental Legal Claims: Under the Environmental Information Regulations 2004 - The Coal Authority is aware of potential legal proceedings in respect of past fees paid for Mining Information. In the eventuality of receiving formal notification to commence legal proceedings, the Coal Authority will strongly defend its position. | Unquantifiable |
| – Coal Authority - Legal claims: The Coal Authority is subject to various claims and legal actions in the ordinary course of its activities. Where appropriate, provisions are made in the accounts on the basis of information available and in accordance with guidance provided under the FReM and IFRS. The Coal Authority does not expect that the outcome of the above issues will materially affect its financial position. | Unquantifiable |
| – Coal Authority - Restructuring Scheme: Where liabilities transferred under the various Coal Authority Restructuring Schemes (CARS) have crystallised due to planning conditions, agreements, claims etc, a provision has been made. It has not, however, been possible to quantify contingent liabilities that may arise in the future. | Unquantifiable |
| – Coal Authority - Subsidence damage and public safety liabilities: Licensees of mining operations are required to provide security to the Coal Authority to cover the anticipated future costs of settling subsidence damage liabilities within their areas of responsibility. Outside the areas of responsibility of the holders of the licences under Part II of the Coal Industry Act 1994, the Coal Authority is responsible for making good subsidence damage. Where an area of responsibility is extinguished this would transfer to the Coal Authority who would become responsible for the discharge of outstanding subsidence liabilities. The Coal Authority also has an ongoing liability to secure and keep secured the majority of abandoned coal mines. In all cases the liability for operating collieries is the responsibility of the licensees/lessees and security is held to address those liabilities. These liabilities have been provided for within the Public Safety and Subsidence provision based on analysis of trends and claims experience. However it is possible that significant, unexpected events outside of this provision may materialise. | Unquantifiable |
| – CNPA - Legal claims: There are a number of potential liabilities in respect of claims from employees. The timing and amounts of any payment are uncertain. These liabilities have not been provided for as the CNPA believes that the claims are unlikely to be successful and unlikely to lead to a transfer of economic benefits. | Unquantifiable |
| – CNPA - Multi Force Shared Service (MFSS): There is a partner commitment as part of the end of the MFSS collaboration, to cover any redundancy costs that arise. Cheshire's PCC (as the lead Partner and employer of the MFSS staff) has stated their intention to find a role for all displaced MFSS staff wherever possible. While this is an ambition, there may still be some redundancies in November 2022, however at this time it is not possible to identify the potential costs. | Unquantifiable |
| – Insolvency Service - Legal Cases: Due to the nature of the work undertaken by the Agency, there are a number of ongoing legal cases giving rise to contingent liabilities. The legal cases included as contingent liabilities all relate to possible obligations where the Agency has issued civil and criminal proceedings through the courts, and the outcome is dependent on court rulings and findings. Further details cannot be disclosed, as in accordance with IAS 37 (paragraph 92), the Agency considers that disclosure of values for any contingent liability connected to legal proceedings could seriously prejudice ongoing litigation. | Unquantifiable |

# Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| – NDA - Pension Schemes: Whilst not the lead employer, the NDA is the lead organisation and has ultimate responsibility for certain nuclear industry pension schemes, including the Combined Nuclear Pension Plan and the Magnox section of the Electricity Supply Pension Scheme. Provisions for known deficits are included within Nuclear Provisions. However, movements in financial markets may adversely impact the actuarial valuations of the schemes, resulting in an increase in scheme deficits and consequent increase in nuclear provision. | Unquantifiable |
| – Others: There are a number of potential liabilities for the Department in respect of claims from suppliers, employees and third parties which depend on actual or potential proceedings. The timing and amounts of any liabilities are uncertain. | Unquantifiable |
| – BBB - Financial guarantee: Under the Bank's Help to Grow financial guarantee programme, the Bank has entered in to financial guarantee agreements of £nil (31 March 2020: £10.5 million). The Bank has guaranteed 75% of eligible lending to SMEs under these agreements and a counter guarantee is in place that guarantees 50% of the Bank’s 75% of eligible lending. As at 31 March 2021 the amount lent under these financial guarantee agreements was £3 million (31 March 2020: £3 million). The programme is now closed and there will be no further lending. | 3,000 |
| – UKRI - (BBSRC) Exit costs: Prior to 31 March 2018, some staff at BBSRC strategically funded institutes were on BBSRC terms and conditions. Whilst their direct salary costs are paid by the institutes, BBSRC is liable for any exit costs for these staff. The date and number of staff to take exit packages in any one year is unknown; however, if all staff were to take exit packages, the maximum liability is estimated at £31 million, with the amount declining on an annual basis up to March 2022. | 31,000 |
| – UKRI - (Innovate UK) Decommissioning costs: UKRI has a contingent liability which may arise if UKRI has to provide a grant to Narec (Natural Renewable Energy Centre) in order for it to be able to decommission a weather monitoring platform in the North Sea. This is currently collecting data to support the development of an offshore wind test site. This may take place anytime between three and twenty-five years from now dependent on the development of the site, at an estimated cost of £2.6m. | 2,600 |
| – UKRI - (STFC) Decommissioning costs: A contingent liability exists for European Synchrotron Radiation Facility (ESRF) decommissioning costs associated with the dismantling of the facility and infrastructures. Decommissioning occurs on winding up of ESRF. If exit by the UK (or any other Member) results in ESRF being wound up, the Members are required to arrange for decommissioning of ESRF’s plant and buildings and to meet the costs of doing so in proportion to their share of capital at the time of dissolution. The contingent liability is estimated to be £1.8 million. | 1,800 |
| – UKRI - (STFC) Reprocessing and staff commitments: A contingent liability exists in respect of the Science and Technology Facilities Council (STFC)'s share of Institut Laue-Langevin (ILL) unfunded provisions for staff related costs (e.g. early retirement) and costs associated with reprocessing fuel elements. The contingent liability is estimated to be £10.4 million (31 March 2020: £11.8 million). | 10,400 |

# Part III: Note K - Contingent Liabilities

| Nature of liability | £'000 |
|---|---|
| – The core Department has indemnified Cornwall Council for any liability relating to the European Regional Development Fund (ERDF) that might arise from the transfer of Wave Hub due to (a) any breach of the ERDF Funding Agreements which occurred on or before the transfer date of 31 March 2017 and (b) any action or omission by the core Department or Wave Hub in relation to the ERDF Funding Agreements prior to the transfer which leads to finding of an Irregularity by any competent authority. | 18,000 |
| – The core Department has indemnified the Coal Authority against potential claims arising from remunerated advisory work undertaken for other public sector bodies where settlement exceeds the Authority's professional indemnity insurance. | 3,000 |
| – UKRI - (BBSRC) Contamination: As part of a Sale Agreement relating to a previous BBSRC site, BBSRC agreed to indemnify the purchaser against contamination resulting from dangerous substances. The indemnity was over a 10-year period commencing in 2013-14 and was capped at £3 million. | 3,000 |

# Part III: Note L - International Subscriptions

| Section in Part II: Subhead Detail | Body | £'000 |
|---|---|---|
| F4-DEL | UN Framework Convention on Climate Change | 2,999 |
| F4-DEL | International Energy Agency | 1,258 |
| G4-DEL | International Atomic Energy Agency | 18,966 |
| G4-DEL | Organisation for the Prohibition of Chemical Weapons | 3,020 |
| H7-DEL | European Space Agency | 415,338 |
| O7-DEL | European Molecular Biology Conference | 4,218 |
| O7-DEL | European Molecular Biology Laboratory | 18,125 |
| O7-DEL | Human Frontier Science Program | 1,724 |
| O7-DEL | The International Ocean Drilling Programme | 2,600 |
| O7-DEL | European Organisation for Nuclear Research (CERN) | 142,567 |
| O7-DEL | European Southern Observatory (ESO) | 29,794 |
| O7-DEL | Institut Laue-Langevin (ILL) | 20,273 |
| O7-DEL | European Synchrotron Radiation Facility (ESRF) | 8,931 |
| O7-DEL | European X-ray Free-Electron Laser (XFEL) | 3,000 |
| O7-DEL | Engineering in Medicine and Biology Society | 1,136 |

# Department for Business, Energy and Industrial Strategy (BEIS)

# Main Estimate 2022-23: Estimates memorandum

## 1 Overview

### 1.1 Objectives

The Department for Business, Energy and Industrial Strategy (BEIS) has the following priority outcomes:-

1. **Fighting coronavirus** by helping businesses to bounce back from the impacts of Covid-19 and supporting renewed investment in the economy
2. **Reduce UK greenhouse gas emissions to net zero by 2050,** while supporting green jobs and mobilising investment to deliver a green industrial revolution across the UK
3. **Unleash innovation** and accelerate science and technology throughout the country, through increased private and public investment, to increase productivity and UK global influence
4. **Boost enterprise** by making the UK the best place in the world to start, grow and invest in a business.

Details of which spending programmes relate to which priorities is given at Section 3.1.

### 1.2 Spending controls

BEIS's spending is broken down into several different spending totals, for which Parliament's approval is sought.

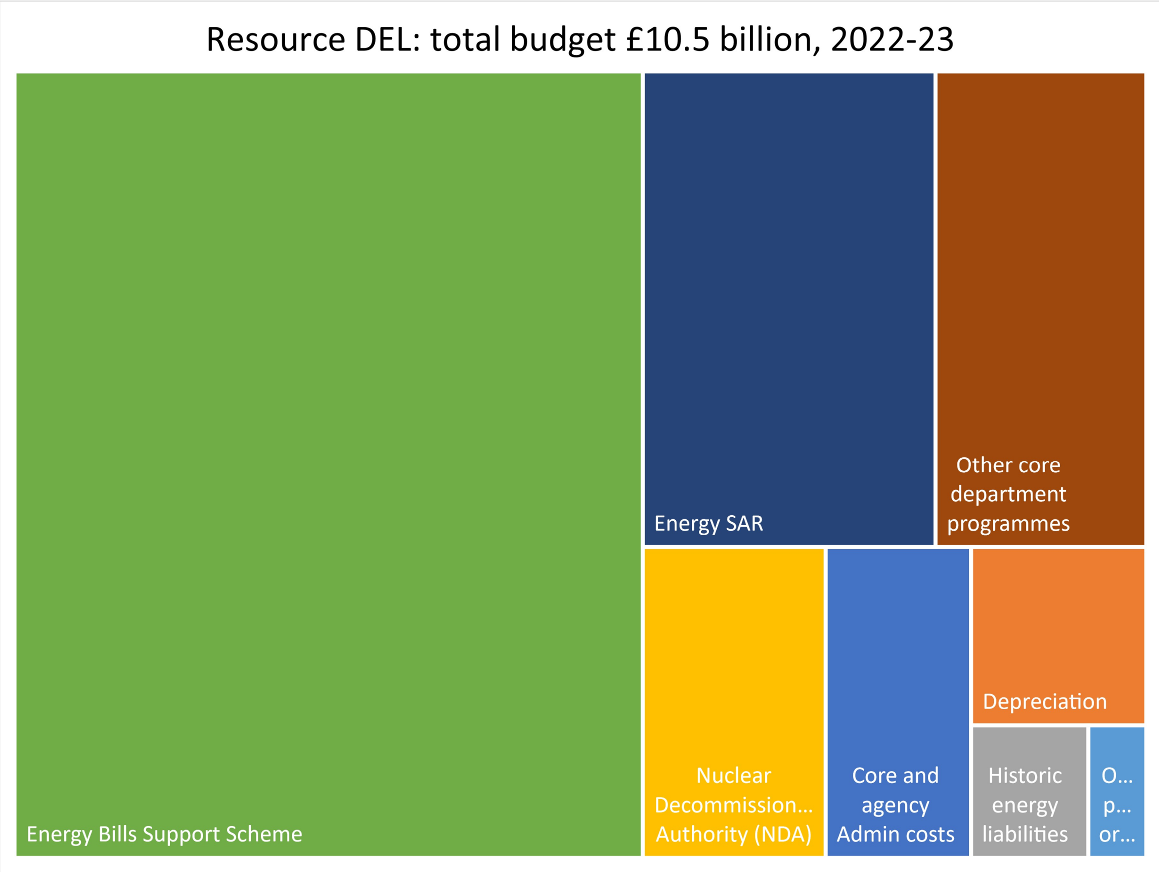
The spending totals which Parliament votes are:

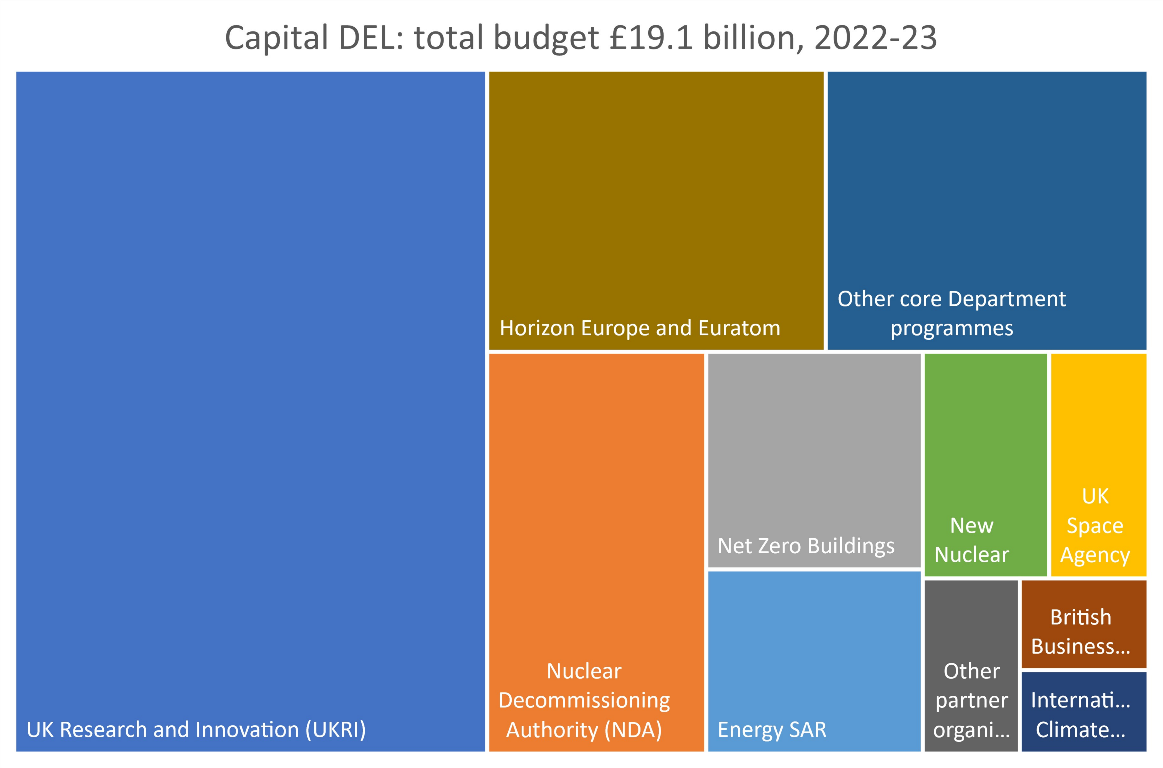
- Resource Departmental Expenditure Limit ("**Resource DEL**") - day to day running costs;
- Capital Departmental Expenditure Limit ("**Capital DEL**") - investment in infrastructure, Research and Development;
- Resource Annually Managed Expenditure ("**Resource AME**") - less predictable day to day spending: in BEIS's case, mainly the Renewable Heat Incentive, redundancy and shared parental leave payments and movements in the value of nuclear decommissioning and other provisions and movements in the fair value of liabilities incurred for Contracts for Difference (CFD) for the supply of low carbon electricity; and
- Capital Annually Managed Expenditure ("**Capital AME**") - largely movements in the Post Office Working Capital Loan and surpluses in Coal Pension schemes, plus since 2020-21 the financial guarantees provided to lenders for Coronavirus business loan schemes.

In addition, Parliament votes a net cash requirement, designed to cover the elements of the above budgets which require BEIS to pay out cash in-year.

## 1.3 Main areas of spending

The graphic below shows the main components of BEIS's proposed budget for the new financial year, included in the latest Main Estimate, and the proportions of funds spent on its main activities.

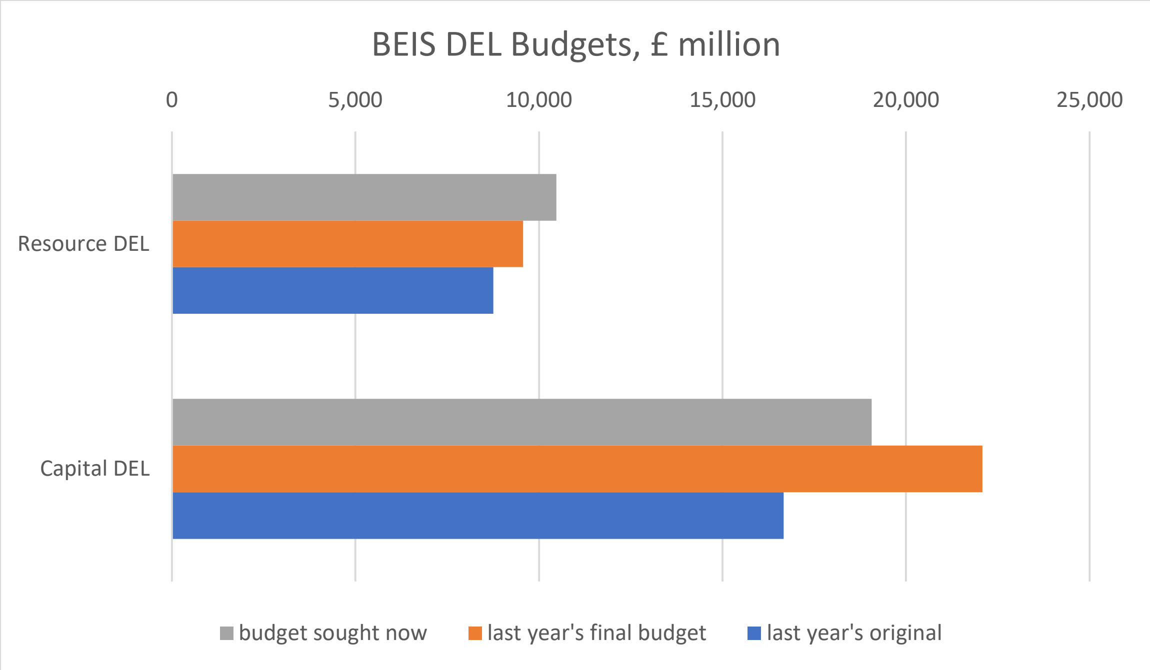


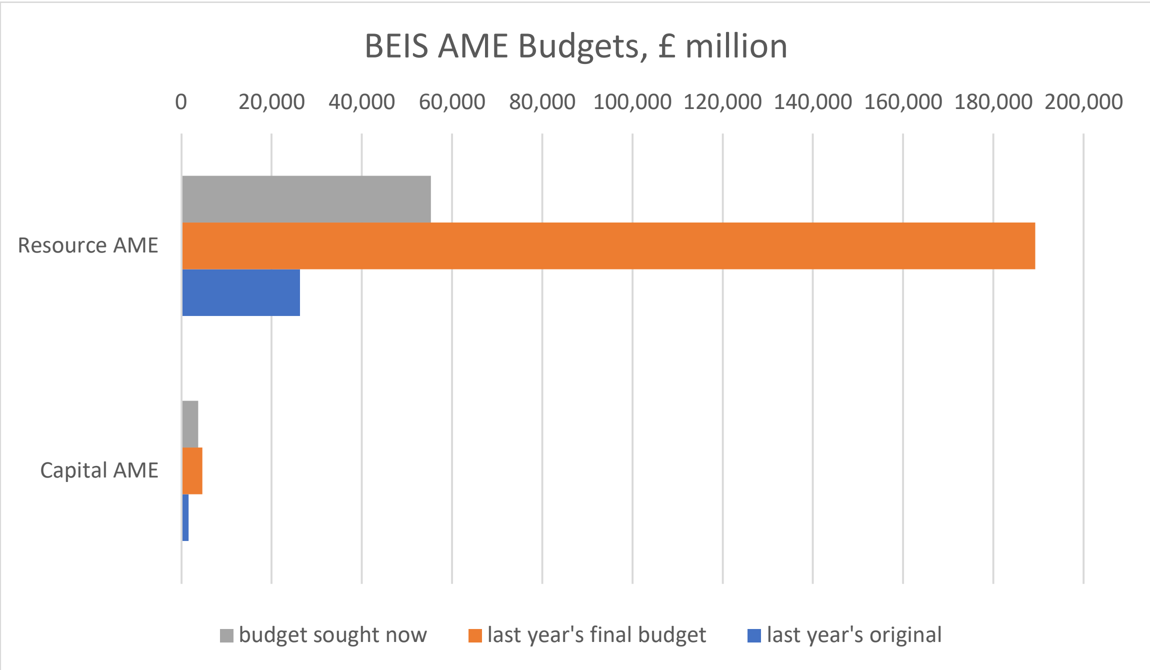



## 1.4 Comparison of spending totals sought

The table and graphics below show how the totals sought for BEIS compare with last year:

| **Spending total**<br>**Amounts sought this year**<br>**(Main Estimate 2022-23)** | | **Compared to final budget last year**<br>**(Supplementary Estimate 2021-22)** | | **Compared to original budget last year**<br>**(Main Estimate 2021-22)** | |
|---|---|---|---|---|---|
| | | **£m** | **%** | **£m** | **%** |
| Resource DEL | £10,472.1m | +£903.5m | +9.4% | +£1,718.1m | +19.6% |
| Capital DEL | £19,059.5m | -£3,020.5m | -13.7% | +£2,394.3m | +14.4% |
| Resource AME | £55,335.5m | -£133,968.0m | -70.8% | +£29,013.0m | +110.2% |
| Capital AME | £3,696.5m | -£948.3m | -20.4% | +£2,097.4m | +131.2% |




## 1.5 Key drivers of spending changes since last year

The main causes of the changes in Resource DEL are:

- £5,814.4m funding for 2022-23 for the Energy Bills Support Scheme[1];
- £4,595.5m funding in 2021-22 only for Covid business support grants;
- A reduction in funding compared to 2021-22 of £1,205.4 million for running costs and interest rate subsidies for Covid business loans;
- £970.8 million increase compared to 2021-22 in funding for the Energy Special Administration Regime (SAR); and

[1] https://www.gov.uk/government/news/millions-to-receive-350-boost-to-help-with-rising-energy-costs

- £97.1m decrease in Nuclear Decommissioning Authority (NDA) budget (offset by £118.3m increase in Capital DEL – the split of expenditure between Resource and Capital DEL for the NDA is adjusted each year at the Supplementary Estimate in line with expenditure profiles for the year).

The main causes of the changes in Capital DEL are:

- £5,610.0 million funding in 2021-22 only in respect of the Nuclear Liabilities Fund;
- £2,349.0m funding in 2022-23 for Horizon Europe and Euratom (of which £1,172.8m carried over from 2021-22 through the Budget Exchange system);
- £118.3 million increase in NDA capital budgets at the time of this Main Estimate compared to 2021-22, as mentioned above, this will be reviewed and adjusted accordingly through the Supplementary Estimate later this financial year; and
- a reduction of £455.8 million in funding for the British Business Bank (BBB) in line with their business plan.

The main causes of the changes in Resource AME are:

- £(122.0)billion decrease in Nuclear Decommissioning Authority provisions compared to 2021-22, where the large increase was driven by changes to the discount rate;
- £(5.4)billion decrease to provisions in 2022-23 compared to 2021-22 in respect of Energy Bills Support Scheme;
- £(3.1)billion decrease in Coal Authority provisions compared to 2021-22; and
- £(2.2) billion decrease in provisions arising from the Energy SAR.

The main causes of the changes in Capital AME are:

- £902.6 million reduction in 2022-23 compared to 2021-22 for financial guarantees provided to lenders for Coronavirus business loans. Scoring as Capital AME reflects the decision by the Office for National Statistics that the guarantees be recorded as standardised in nature and at the time the guarantees are provided. The amount of budget required therefore reflects our best estimate of lifetime calls under the guarantees; this amounts to a budget requirement in 2022-23 of £85.9 million for the Recovery Loan Scheme.

## 1.6 New policies and programmes; ambit changes

On 3rd February, the Chancellor announced the Energy Bills rebate[2], to be delivered through the Energy Bills Support Scheme. Funding has been provided for this scheme through Resource DEL in this Main Estimate.

The ambit has been updated to include the following:

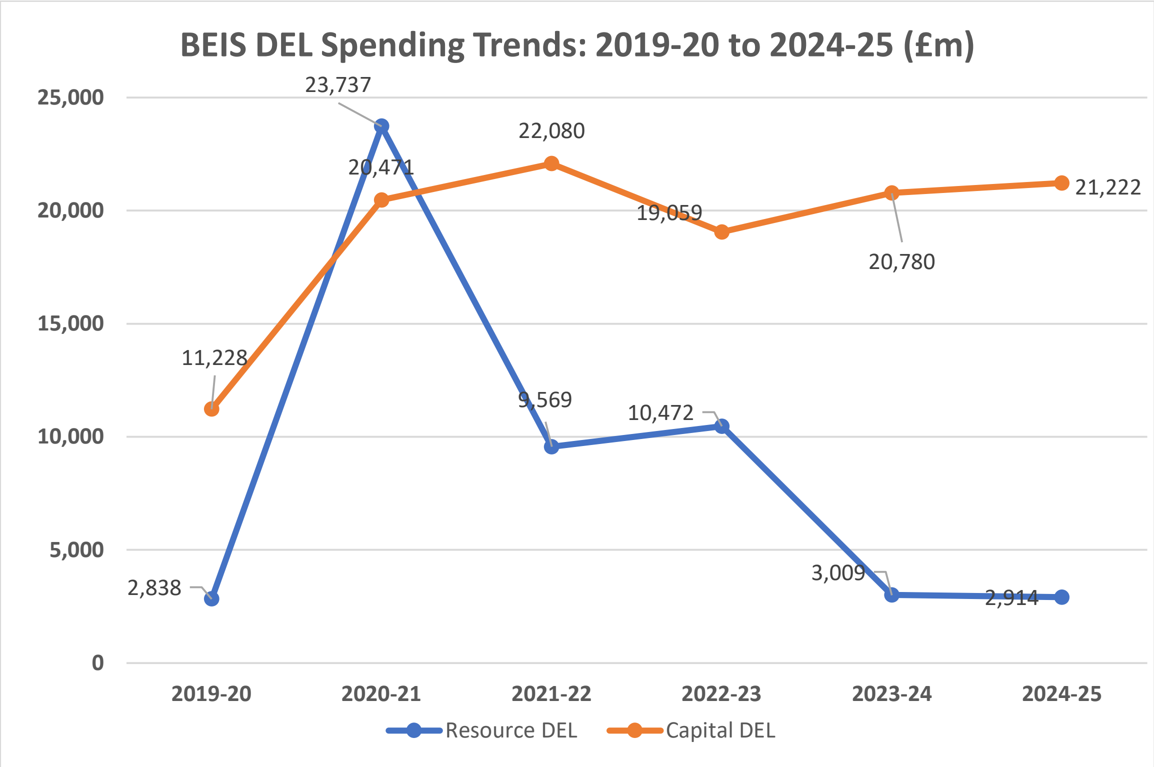
- Departmental Expenditure Limit expenditure – "Support for the activities of the Position, Navigation and Timing (PNT) Office" and "Support for consumer and household energy bills".

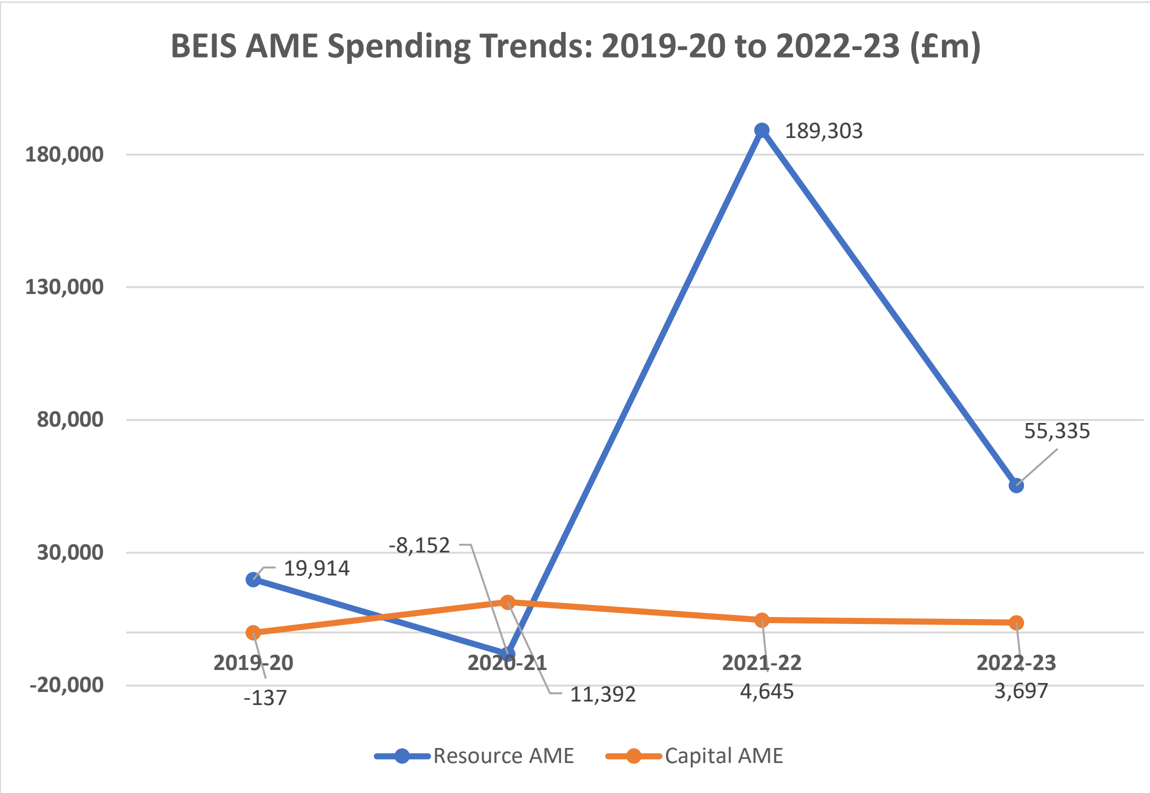
These have been added to reflect the additional areas of work arising from the establishment of the PNT Office and the Energy Bills Support Scheme respectively.

[2] https://www.gov.uk/government/news/millions-to-receive-350-boost-to-help-with-rising-energy-costs

## 1.7 Spending trends

The charts below show overall spending trends for the last three years, plans presented in Estimates for 2022-23 and for DEL plans for the remainder of the spending review period.



All 2020-21 budgets were impacted by additional expenditure in response to the Covid-19 pandemic with increases of £21,659.5 million; Resource DEL and £1,133.0 million Capital DEL, and changes to AME Budgets of £(10,806.9) million Resource AME and £19,781.4 million Capital AME.

**DEL Budgets**

- 2021-22 DEL budgets included further Covid-19 expenditure albeit at lower levels than seen in 2020-21;
- Capital DEL has, since 2017-18, seen significant increases in Science and Research. Alongside the increases for Covid-19, 2020-21 included an additional £5,070.0 million budget for the Nuclear Liabilities Fund along with a further £5,610.0 million in 2021-22.

**AME Budgets**

- Resource AME is subject to significant fluctuation from year to year due to non-cash costs arising from movements in the fair value of Contracts for Difference and the impact of changes to discount rates on provisions. Changes to discount rates can have a particularly significant impact on the large, long-term provision for nuclear decommissioning held by the NDA, as can be seen by the substantial variation in 2021-22; and
- Capital AME has significantly increased since 2020-21 due to the inclusion of financial guarantees for Coronavirus business loans as set out in Section 1.5.

## 1.8 Administration costs

Administration costs are set to increase by 11.3% in 2022-23 compared to last year's final budget, reflecting the underlying department's SR21 settlement in addition to further adjustments including funding in recognition of the implementation of IFRS16 (£23.2m).

| **Spending total**<br><br>**Amounts sought this year**<br><br>**(Main Estimate 2022-23)** | | **Compared to final budget last year**<br><br>**(Supplementary Estimate 2021-22)** | | **Compared to original budget last year**<br><br>**(Main Estimate 2021-22)** | |
|---|---|---|---|---|---|
| | | **£m** | **%** | **£m** | **%** |
| Administration costs | £669.7 m | +£75.9 m | +11.3% | +£53.4 m | +8.7% |

Increases to the Administration budget since the SR21 settlement are for Bounce Back Loans counter fraud (£4.4 million), Vaccines Taskforce (£7.2 million), UK Government Investments (£2.2 million). In addition, funding for Open Regulation Platform of £1.2 million has been provided from the Shared Outcomes Fund.

Net Administration budgets have also been increased by £23.2 million arising from the implementation of IFRS16, an increase of £15.0 million compared to 2021-22.

## 1.9 Funding: Spending Review and Budgets

The levels of DEL funding for BEIS for 2022-23 are based on plans published in Spending Review 2021. Since that time, the Government has made a number of changes to 2022-23 spending plans. Details of funding changes are set out in the Table at Annex B.

Notable amongst these changes are:

- Additional funding for Energy Bill Support Scheme and the Energy SAR;
- Reprofiling of £1,172.8 million Capital DEL funding for Horizon Europe planned in 2021-22 but carried over to 2022-23 under the Budget Exchange system.

## 1.10 Funding: other spending announcements

Spending announcements made during the year not listed at Annex B largely relate to the allocation of money within existing planned limits, rather than additional money.

These include:

- Allocation of Research and Development funding
- Allocation of International Climate Finance funding;
- Grant funding for projects developing novel technology and processes that reduce the cost of deploying CCUS (Carbon Capture, Usage and Storage) and

# 2. Spending detail

As shown in the table in Section 3.1, departmental expenditure can contribute across a number of different strategic objectives, in particular spend assigned to the 'Science and Research' and 'Capability' subheads. However, due to Parliamentary rules, budgets must be assigned to only one specific Estimate subhead even though spending often contributes to other lines.

Due to the timing of Main Estimate deadlines, a number of budgets have not been fully allocated and some Resource and Capital DEL budget remains held centrally. High level Science R&D budgets have been allocated in line with the announcement on 14 March[3] in the Main Estimate. Where necessary, budgets will be updated as part of the Supplementary Estimate later this year.

## 2.1 Explanations of changes in spending

### Resource DEL

The table below shows how BEIS's spending plans for Resource DEL compare with last year.

| Subheads | Description | **Resource DEL** | | | | |
|---|---|---|---|---|---|---|
| | | £ million | | | % | |
| | | *This year (2022-23 Main Estimates budget sought)* | *Last year (2021-22 Supp Estimates budget approved)* | change from last year | | see note number |
| A | Deliver an ambitious industrial strategy | 326.5 | 4,943.5 | **-4,617.0** | **-93.4%** | 1 |
| B | Maximise investment opportunities and bolster UK interests | 76.4 | 131.6 | **-55.2** | **-41.9%** | 2 |
| C, K | Promote competitive markets and responsible business practices | 307.4 | 288.6 | **18.8** | **6.5%** | |
| D | Delivering affordable energy for households and businesses | 5,977.2 | 134.1 | **5,843.1** | **4358.2%** | 3 |
| E, L | Ensuring that our energy system is reliable and secure | 1,654.3 | 689.0 | **965.3** | **140.1%** | 4 |
| F, M | Taking action on climate change and decarbonisation | 79.1 | 83.5 | **-4.3** | **-5.2%** | |
| G, N | Managing our energy legacy safely and responsibly | 235.9 | 241.7 | **-5.8** | **-2.4%** | |
| H, O, S | Science and Research | 283.0 | 289.4 | **-6.4** | **-2.2%** | |
| I, P | Capability | 687.3 | 582.6 | **104.7** | **18.0%** | 5 |
| J, Q | Government as Shareholder | 176.4 | 1,419.0 | **-1,242.6** | **-87.6%** | 6 |
| R, T | Nuclear Decommissioning Authority | 668.7 | 765.8 | **-97.1** | **-12.7%** | 7 |
| | **Total voted and non voted** | 10,472.1 | 9,568.6 | **903.5** | **9.4%** | |

[3] https://www.gov.uk/government/publications/beis-research-and-development-rd-partner-organisation-allocation-2022-to-2025/beis-research-and-development-rd-partner-organisation-allocation-20222023-to-20242025

Differences of more than 10% which are more than £10 million are explained below. Numbers relate to the relevant row in the table above. Further detail of spending within these totals is given in the Table at Annex A.

### 1. Deliver an ambitious industrial strategy

Resource DEL spending under these subheads is, overall, forecast to decrease by £4,617.0 million, or 93.4%, compared to 2021-22.

This is driven largely by a decrease of £(4,595.5) million for Covid-19 business support grants distributed via Local Authorities in 2021-22.

### 2. Maximise investment opportunities and bolster UK interests

Resource DEL spending under this subhead is, overall, forecast to decrease by £55.2 million, or 41.9%, compared to 2021-22. This is in line with the profile of funding for International Climate Finance (ICF) allocated through the SR21, together with the transfer of £25.0 million from the Foreign, Commonwealth and Development Office.

### 3. Delivering affordable energy for households and businesses

Resource DEL spending under this subhead is, overall, forecast to increase by £5,843.1 million, or 4,358.2%, compared to 2021-22.

This is driven largely by the inclusion of the budget of £5,814.4 million for the Energy Bills Support Scheme[4], together with an increase of £29.1 million in funding for Net Zero.

### 4. Ensuring that our energy system is reliable and secure

Resource DEL spending under these subheads is, overall, forecast to increase by £965.3 million, or 140.1%, compared to 2021-22.

This is driven largely by an increase of £970.8 million in funding for the Energy Special Administration Regime (SAR).

### 5. Capability

Resource DEL spending under these subheads is, overall, forecast to increase by £104.7 million, or 18.0%, compared to 2021-22.

This is driven largely by:

- An increase of £77.3 million in Administration costs for the core Department and Executive Agencies, largely due to the reclassification of costs arising from the implementation of IFRS16; and
- An increase of £27.6 million in centrally held budgets at the time of preparing this Main Estimate, compared to 2021-22.

---

[4] https://www.gov.uk/government/news/energy-bills-support-scheme-explainer

## 6. Government as Shareholder

Resource DEL spending under these subheads is, overall, forecast to decrease by £1,242.6 million, or 87.6%, compared to 2021-22.

This is driven largely by:

- A reduction in funding compared to 2021-22 of £1,205.4 million for running costs and interest rate subsidies for the Bounce Back Loans Scheme and Coronavirus Business Interruption Loans Scheme; and
- A decrease of £29.7 million compared to 2021-22 for Post Office Limited, where additional funding was provided from the Reserve in the Supplementary Estimate.

## 7.Nuclear Decommissioning Authority

Net Resource DEL spending under these subheads, is, overall, forecast to decrease by £97.1 million, or 12.7%, compared to 2021-22. The split of expenditure between Resource and Capital DEL for the NDA is reviewed each year for the Supplementary Estimate in line with expenditure profiles for the year for nuclear decommissioning costs; in 2021-22 additional funding was provided from the Reserve due to deflated revenue. Overall net DEL expenditure for the NDA for 2022-23 is increased by £21.3m compared to 2021-22.

## Capital DEL

The table below shows how spending plans for Capital DEL compare with last year.

| Subheads | Description | Capital DEL | | | | |
|---|---|---|---|---|---|---|
| | | £ million | | | % | |
| | | *This year (2022-23 Main Estimates budget sought)* | *Last year (2021-22 Supp Estimates budget approved)* | change from last year | | see note number |
| A | Deliver an ambitious industrial strategy | 445.4 | 232.0 | **213.4** | **92.0%** | 8 |
| B | Maximise investment opportunities and bolster UK interests | 263.3 | 303.8 | **-40.5** | **-13.3%** | 9 |
| C, K | Promote competitive markets and responsible business practices | 41.7 | 59.4 | **-17.7** | **-29.8%** | 10 |
| D | Delivering affordable energy for households and businesses | 1,123.4 | 1,346.1 | **-222.7** | **-16.5%** | 11 |
| E, L | Ensuring that our energy system is reliable and secure | 1,712.6 | 1,364.0 | **348.7** | **25.6%** | 12 |
| F, M | Taking action on climate change and decarbonisation | 344.4 | 329.3 | **15.1** | **4.6%** | |
| G, N | Managing our energy legacy safely and responsibly | 37.7 | 5,666.9 | **-5,629.3** | **-99.3%** | 13 |
| H, O, S | Science and Research | 12,208.3 | 9,547.6 | **2,660.7** | **27.9%** | 14 |
| I, P | Capability | 32.0 | 21.6 | **10.4** | **48.0%** | 15 |
| J, Q | Government as Shareholder | 689.7 | 1,166.7 | **-477.0** | **-40.9%** | 16 |
| R, T | Nuclear Decommissioning Authority | 2,161.0 | 2,042.7 | **118.3** | **5.8%** | |
| | **Total voted and non voted** | 19,059.5 | 22,080.0 | -3,020.5 | **-13.7%** | |

Differences of more than 10% which are more than £10 million are explained below.

### 8. Deliver an ambitious industrial strategy

Capital spending under these subheads is, overall, forecast to increase by £213.4 million, or 92.0%, compared to 2021-22.

This is driven largely by:

- An increase of £193.9 million in funding for the automotive manufacturing sector, as announced in SR21;
- Funding from the Reserve in 2021-22 only for Trade Credit Reinsurance (£28.7 million);
- a reduction of £66.7 million compared to 2021-22 for the Met Office. Additional funding for the Met Office is shown under the *Government as shareholder* subhead; and

- A decrease in expected income from Repayable Launch Investments of £9.4 million in 2022-23 compared with the previous financial year, reflecting the expected profile of repayments.

### 9. Maximise investment opportunities and bolster UK interests

Capital DEL spending under this subhead is, overall, forecast to decrease by £40.5 million, or 13.3%, compared to 2021-22, in line with the profile of funding for International Climate Finance (ICF) allocated in SR21, together with a transfer of £21.0 million from the Foreign, Commonwealth and Development Office.

### 10. Promote competitive markets and responsible business practices

Capital spending under these subheads is, overall, forecast to decrease by £17.7 million or 29.8%, compared to 2021-22.

This is driven largely by:

- a decrease of £11.7 million funding compared to 2021-22 for Better Regulation, due to additional funding in 21-22 for Regulators Pioneer Fund and the Office for Product Safety and Standards;
- a reduction of £4.8 million in ACAS; and
- a decrease of £3.1 million in Market Frameworks.

### 11. Delivering affordable energy for households and businesses

Capital spending under these subheads is, overall, forecast to decrease by £222.7 million, or 16.5%, compared to 2021-22, in line with SR21 allocations for Net Zero Buildings and Heat. Additional Net Zero funding for New Nuclear, Energy Innovation and Heat is shown against *Ensuring that our energy system is reliable and secure* and *Taking action on climate change and decarbonisation* subheads.

### 12. Ensuring that our energy system is reliable and secure

Capital DEL spending under these subheads is, overall, forecast to increase by £348.7 million, or 25.6%, compared to 2021-22. This is driven largely by an increase of £503.4 million of funding allocated in SR21 in respect of nuclear technologies, partially offset by a £180.1 million reduction in funding for the Energy SAR compared to 2021-22.

### 13. Managing our energy legacy safely and responsibly

Capital DEL spending under these subheads is, overall, forecast to decrease by £5,629.3 million, or 99.3%, compared to 2021-22.

This is driven largely by:

- One off funding in 2021-22 of £5,610.0 million for the Nuclear Liabilities Fund (NLF) in the form of a deposit in the National Loans Fund;
- an decrease of £10.5 million for the Civil Nuclear Police Authority; and
- a decrease of £6.9 million for Global Threat Reduction.

### 14. Science and Research

Total capital spending under these subheads is forecast to increase by £2,660.7 million, or 27.9%, compared to 2021-22. This is largely due to the carry forward from 2021-22 of the budget for Horizon Europe under the Budget Exchange system. More details of the 2022-23 R&D budget allocations were published on 14 March[5]

### 15. Capability

Capital spending under these subheads is, overall, forecast to increase by £10.4 million or 48.0%, compared to 2021-22.

This is driven largely by:

- an increase of £1.6 million in core Department budgets, arising from the implementation of IFRS16; and
- an increase of £8.8 million in centrally held budgets at the time of preparing this Main Estimate, compared to 2021-22;

### 16. Government as Shareholder

Capital spending under these subheads is, overall, forecast to decrease by £477.0 million or 40.9%, compared to 2021-22.

This is driven largely by:

- £36.8 million in funding for the Future Fund: Breakthrough scheme in 2021-22 only;
- funding in 2021-22 only of £177.0 million for Post Office Limited;
- an increase in funding for the Met Office of £136.6 million; and
- a reduction of £455.8 million in funding for the British Business Bank in line with their business plan; this will be updated in the Supplementary Estimate as usual.

[5] https://www.gov.uk/government/publications/beis-research-and-development-rd-partner-organisation-allocation-2022-to-2025/beis-research-and-development-rd-partner-organisation-allocation-20222023-to-20242025

## Resource AME

The table below shows how spending plans for Resource AME compare with last year.

| Subheads | Description | Resource AME | | | | |
|---|---|---|---|---|---|---|
| | | £ million | | | % | |
| | | *This year (2022-23 Main Estimates budget sought)* | *Last year (2021-22 Supp Estimates budget approved)* | change from last year | | *note number* |
| U, AC | Deliver an ambitious industrial strategy | 38.2 | 192.1 | **-154.0** | **-80.1%** | 17 |
| V, AD, AL | Promote competitive markets and responsible business practices | 568.8 | 525.1 | **43.7** | **8.3%** | |
| W | Ensuring that our energy system is reliable and secure | -1,689.0 | 530.9 | **-2,219.9** | **-418.1%** | 18 |
| AE | Taking action on climate change and decarbonisation | 25,000.0 | 25,000.6 | **-0.6** | **0.0%** | |
| X, AF, AK | Managing our energy legacy safely and responsibly | -69.5 | 3,018.3 | **-3,087.7** | **-102.3%** | 19 |
| Y, AG | Science and Research | 17,598.0 | 17,700.1 | **-102.0** | **-0.6%** | |
| Z, AH | Capability | 2.3 | 22.8 | **-20.5** | **-89.7%** | 20 |
| AA, AI | Government as Shareholder | -27.7 | 1,002.5 | **-1,030.2** | **-102.8%** | 21 |
| AB | Renewable Heat Incentive | 1,079.0 | 1,026.0 | **53.0** | **5.2%** | |
| AM | Nuclear Decommissioning Authority | 12,835.3 | 134,876.0 | **-122,040.7** | **-90.5%** | 22 |
| | Delivering affordable energy for households and business | - | 5,409.0 | **-5,409.0** | **-100.0%** | 23 |
| | Total voted and non voted | 55,335.5 | 189,303.4 | **-133,968.0** | **-70.8%** | |

Differences of more than 10% which are more than £10 million are explained below.

### 17. Deliver an ambitious industrial strategy

Resource AME spending on these subheads is forecast to be £154.0 million lower than in 2021-22. This is largely due to a decrease of £100.0 million in non-cash impairments for Repayable Launch Investments and a budget in 2021-22 only of £57.0 million for Trade Credit Reinsurance provisions.

### 18. Ensuring that our energy system is reliable and secure

Resource AME spending on these subheads is forecast to be £2,219.9 million lower than in 2021-22, reflecting the forecast for the movement in the provision for the Energy SAR.

### 19. Managing our energy legacy safely and responsibly

Resource AME spending on these subheads is forecast to be £3,087.7 million lower than in 2021-22 due largely to significantly greater increases in non-cash movements in provisions in 2021-22 for Coal Authority (£3,102.7 million), and Coal Health liabilities (£12.5 million); partially offset by increases in Concessionary Fuel (£17.1 million) and British Energy liabilities (£10.4 million).

### 20. Capability

Resource AME spending on these subheads is forecast to be £20.5 million lower than in 2021-22. This is largely due to increases in 2021-22 only to core Department provisions for Estates costs for dilapidations.

### 21. Government as Shareholder

Resource AME spending on these subheads is forecast to be £1,030.2 million lower than in 2021-22, due largely to the inclusion in 2021-22 only, of budgets for Post Office Limited of £835.8 million and £179.0 million for Met Office.

In addition, there are forecast reductions in non-cash movements for British Business Bank (£(43.9) million), Northern Powerhouse (£(18.5) million) and Midlands Engine (£(13.4) million), and a reduction in provisions for Enterprise Finance Guarantee/Small Firms Loan Guarantee (£(36.1) million).

### 22. Nuclear Decommissioning Authority

Resource AME spending on this subhead is forecast to be £122,040.7 million lower than in 2021-22. This is due to a smaller increase in the NDA Nuclear Decommissioning provision forecast for 2021-22 compared to 2020-21, where a large increase in the provision was driven by changes to the discount rate; this will be reviewed ahead of the Supplementary Estimate.

### 23. Delivering affordable energy for households and businesses

Resource AME spending on these subheads is forecast to be £5,409.0 million lower than in 2021-22, reflecting the forecast for the provision for the Energy Bills Support Scheme to be scored in 2021-22.

## Capital AME

The table below shows how spending plans for Capital AME compare with last year.

| Subheads | Description | **Capital AME** | | | | |
|---|---|---|---|---|---|---|
| | | £ million | | | % | |
| | | *This year (2022-23 Main Estimates budget sought)* | *Last year (2021-22 Supp Estimates budget approved)* | change from last year | | *note number* |
| U, AC | Deliver an ambitious industrial strategy | 0.0 | 10.0 | **-10.0** | **-100.0%** | 24 |
| X, AF, AK | Managing our energy legacy safely and responsibly | -123.4 | -117.4 | **-6.0** | **5.1%** | |
| Y, AG | Science and Research | 2,934.0 | 2,934.0 | **0.0** | **0.0%** | |
| Z, AH | Capability | 0.1 | 30.0 | **-29.9** | **-99.8%** | 25 |
| AA, AI | Government as Shareholder | 885.9 | 1,788.3 | **-902.4** | **-50.5%** | 26 |
| | Total voted and non voted | 3,696.5 | 4,644.8 | **-948.3** | **-20.4%** | |

### 24. Deliver an ambitious industrial strategy

Capital AME spending on these subheads is forecast to be £10.0 million lower than in 2021-22. This is due to a reduction in the forecast for NESTA capital expenditure; this will be reviewed ahead of the Supplementary Estimate.

### 25. Capability

Capital AME expenditure on these subheads is forecast to be £29.9 million lower than 2021-22 due to the inclusion in 2021-22 of cover for core Department provisions for Estates costs for dilapidations.

### 26. Government as Shareholder

Capital AME expenditure on these subheads is forecast to be £902.4 million lower in 2021-22 due to the change in budget required for the Financial Guarantees arising from the Coronavirus Business Loan schemes.

## 2.3 Ring fenced budgets

Within the totals, the following elements are ring fenced i.e. savings in these budgets may not be used to fund pressures on other budgets without express permission from HM Treasury.

| **Spending total**<br><br>**Amounts sought this year**<br><br>**(Main Estimate 2022-23)** | | **Compared to final budget last year**<br><br>**(Supplementary Estimate 2021-22)** | | **Compared to original budget last year**<br><br>**(Main Estimate 2021-22)** | |
|---|---|---|---|---|---|
| | | **£m** | **%** | **£m** | **%** |
| Research and Development[6] (General Capital DEL) | £12,090.6m | +£2,440.0m | +25.3% | +£1,020.6m | +9.2% |
| International Climate Finance (ICF) ODA (Official Development Assistance) (Resource DEL) | £76.4m | -£55.2m | -41.9% | -£62.6m | -45.1% |
| International Climate Finance ODA (Capital DEL) | £215.8m | -£88.0m | -29.0% | -£105.2m | -32.8% |

[6] Note: BEIS R&D allocations published separately include amounts from other listed ringfences e.g. NDA and ODA

| | | | | | |
|---|---|---|---|---|---|
| Financial transactions<br><br>*Of which:* | £1,428.1m | -£1050.1m | -42.4% | +£381.5m | +36.5% |
| *British Business Bank* | *£289.2m* | *-£455.8m* | *-61.2%* | *+£203.3m* | *-41.3%* |
| *Northern Powerhouse* | *£61.2m* | *+£17.4m* | *+39.7%* | *+£61.2m* | *+100.0%* |
| *Midlands Engine* | *£56.2m* | *+£9.3m* | *+19.8%* | *+£56.2m* | *+100.0%* |
| *British Technology Investments* | *£20.0m* | *-£25.0m* | *-55.6%* | *-£25.0m* | *-55.6%* |
| *Future Fund* | *-* | *-£36.8m* | *-100.0%* | *-£50.0m* | *-100.0%* |
| *ICF ODA* | *£47.5m* | *-£57.8m* | *-54.9%* | *+£47.5m* | *+100.0%* |
| *Met Office* | *£7.5m* | *-£31.5m* | *-80.8%* | *-£31.5m* | *-80.8%* |
| *UK Research and Innovation (UKRI)* | *£38.0m* | *-£18.0m* | *-32.1%* | *-£23.0m* | *37.7%* |
| *Launch Investments* | *-£39.2m* | *+£9.4m* | *+19.3%* | *-£3.2m* | *-8.9%* |
| *Other* | *-£30.3m* | *-£36.2m* | *-614.3%* | *-£99.4m* | *-143.8%* |
| Nuclear Decommissioning Authority (Resource DEL) | £668.7m | -£97.1m | -12.7% | +£158.4m | +3109% |
| Nuclear Decommissioning Authority (Capital DEL) | £2,161.0m | +£130.3m | +6.4% | +£137.9m | +6.8% |
| South Tees Site Company | £22.0m | -£24.1m | -52.3% | -£24.1m | -52.3% |
| Covid-19 business support grants | - | -£4,595.5m | -100.0% | -£4,210.0m | -100.0% |
| Covid-19 business loans | £104.2m | -£1,208.2m | -92.1% | -£1,034.8m | -90.9% |
| Depreciation | £368.2m | +£46.4m | +14.4% | +£33.7m | +10.1% |

## 2.4 Changes to contingent liabilities

The list of contingent liabilities shown in Part III: Note K is unchanged from that in the 2021-22 Supplementary Estimate.

# 3. Priorities and performance

## 3.1 How spending relates to objectives

The table below shows how expenditure against each subhead contributes to Departmental priority outcome.

| Outcome>>>><br><br>Estimates subheads | 1: **Fighting coronavirus** by helping businesses to bounce back from the impacts of Covid-19 and supporting renewed investment in the economy | 2: **Reduce UK greenhouse gas emissions to net zero by 2050,** while supporting green jobs and mobilising investment to deliver a green industrial revolution across the UK | 3: **Unleash innovation** and accelerate science and technology throughout the country, through increased private and public investment, to increase productivity and UK global influence | 4: **Boost enterprise** by making the UK the best place in the world to start, grow and invest in a business |
|---|---|---|---|---|
| A, U, AC | X | | X | X |
| B | | X | | |
| C, K, V, AD, AL | | | X | X |
| D | | X | | |
| E, L, W | | X | X | |
| F, M, AE | | X | X | |
| G, N, X, AF, AK | | X | | |
| H, O, S, Y, AG | X | | X | X |
| I, P, Z, AH | X | X | X | X |
| J, Q, AA, AI | X | X | X | X |
| R, T, AJ | | X | | |
| AB | | X | | |

## 3.2 Measures of performance against each priority

BEIS's Outcome Delivery Plan set out the high-level objectives, and measures of performance, for the department.

The performance measures can be found in the Plan here.

## 3.3 Major projects

The Department is responsible for twenty major projects, four are nuclear energy or decommissioning projects, and most of the remaining portfolio relates to energy networks and systems:

- Carbon Capture, Utilisation & Storage (CCUS)
- Energy Bill Support Scheme (EBSS)
- Geological Disposal Facility Programme (GDF)
- Green Homes Grant: Local Authority Delivery (LAD)
- Green Homes Vouchers Programme
- Heat Networks Investment Project
- Help to Grow – Digital
- Help to Grow – Management
- Home Upgrade Grant (HUG) Phase 1
- Met Office Supercomputing 2020+ Programme
- New Polar Research Vessel
- Public Sector Decarbonisation Scheme (PSDS)
- Replacement Analytical Project (Sellafield)
- Sellafield Product and Residue Store Retreatment Plant
- SIXEP Continuity Plant (Sellafield)
- Sizewell C
- Smart Metering Implementation Programme
- Social Housing Decarbonisation Fund
- Space Based Positioning, Navigation and Timing (PNT) Programme
- Vaccines Task Force

The Infrastructure and Projects Authority reports on delivery of major projects annually. Data for BEIS can be found here.

# 4. Other information

## 4.1 Breakdown of Administration Budget

At the time of preparing the Main Estimate detailed Budgets had not yet been set so the below budgets for partner organisations are largely rolled forward from 2021-22, and the split between Wages and salaries and Other costs not yet established for the core Department. IFRS16 changes have increased core department depreciation charges, offset by a reduction in Rentals.

| **Spending total**<br>**Amounts sought this year**<br>**(Main Estimate 2022-23)** | | **Compared to final budget last year**<br>**(Supplementary Estimate 2021-22)** | |
|---|---|---|---|
| | **£ million** | **£ million** | **%** |
| Wages and salaries / Purchase of goods and services/other | 533.8 | +54.4 | +10.2 |
| Depreciation | 58.2 | +23.4 | +40.2 |
| OGD income for Committee on Climate Change | -2.0 | -0.8 | +40.5 |

| | | | |
|---|---|---|---|
| **Total core department & Agency administration** | **590.0** | **+77.0** | **+13.0** |
| UKRI (depreciation) | 6.0 | -1.0 | -16.8 |
| ACAS | 8.6 | +0.9 | +10.1 |
| Competition Service | 1.2 | +0.2 | +13.4 |
| Civil Nuclear Police Authority | 5.5 | +1.8 | +32.5 |
| UK Shared Business Services | 1.6 | - | - |
| Committee on Climate Change | 5.1 | +0.8 | +15.5 |
| Coal Authority | 5.2 | +0.1 | +2.6 |
| Oil and Gas Authority | 1.5 | +1.3 | +89.2 |
| Nuclear Decommissioning Authority | 45.0 | -5.1 | -11.3 |
| **Total Partner Organisations administration** | **79.7** | **-1.0** | **-1.3** |
| **Total Administration Budget** | **669.7** | **+75.9** | **+11.3** |

## 4.2 Additional tables for Nuclear Decommissioning Authority

| NDA DEL Budgets | £ million | | | | | |
|---|---|---|---|---|---|---|
| | 2019-20 outturn | 2020-21 outturn | 2021-22 plans | 2022-23 plans | 2023-24 plans | 2024-25 plans |
| Resource DEL expenditure | 1,330.2 | 1,245.2 | 1,365.8 | 1,516.6 | 1,508.0 | 1,471.8 |
| Resource DEL income | -748.1 | -599.5 | -600.0 | -847.9 | -844.0 | -964.8 |
| **Net Resource DEL** | **582.1** | **645.8** | **765.8** | **668.7** | **664.0** | **507.0** |
| *of which Admin* | *52.9* | *54.9* | *50.1* | *45.0* | *44.0* | *42.0* |
| Capital DEL expenditure | 1,797.2 | 1,799.7 | 2,042.7 | 2,161.0 | 2,298.6 | 2,433.0 |
| Capital DEL income | - | - | - | - | - | - |
| **Net Capital DEL** | **1,797.2** | **1,799.7** | **2,042.7** | **2,161.0** | **2,298.6** | **2,433.0** |
| **Total Net DEL** | **2,379.3** | **2,445.5** | **2,808.4** | **2,829.7** | **2,962.6** | **2,940.0** |

| NDA AME Budgets | £ million | | | |
|---|---|---|---|---|
| | 2019-20 outturn | 2020-21 outturn | 2021-22 plans | 2022-23 plans |
| Depreciation/Impairments | 144.8 | 132.8 | 50.0 | 35.0 |
| Movement in Provisions/other non-cash | 4,226.9 | 894.8 | 134,826.0 | 570.0 |
| **Total AME** | **4,371.7** | **1,027.6** | **134,876.0** | **605.0** |

| NDA Outturn 2016-17 to 2018-19 | £ million | | |
|---|---|---|---|
| | 2016-17 | 2017-18 | 2018-19 |
| Resource DEL expenditure | 1,290.3 | 1,257.6 | 1,175.3 |
| Resource DEL income | -1,029.6 | -1,179.7 | -978.4 |
| **Net Resource DEL** | **260.7** | **78.0** | **197.0** |
| *of which Admin* | *38.2* | *42.1* | *50.6* |
| Capital DEL expenditure | 1,970.7 | 2,051.0 | 2,002.7 |
| Capital DEL income | - | - | - |
| **Net Capital DEL** | **1,970.7** | **2,051.0** | **2,002.7** |
| **Total Net DEL** | **2,231.4** | **2,129.0** | **2,199.7** |
| AME Depreciation/Impairments | 29.0 | 305.8 | 206.9 |
| AME Movement in Provisions/other non-cash | 2,821.5 | 69,606.0 | -101,998.2 |
| **Total AME** | **2,850.5** | **69,911.9** | **-101,791.3** |

# 5. Accounting Officer Approval

This memorandum has been prepared according to the requirements and guidance set out by the House of Commons Scrutiny Unit, available on the Scrutiny Unit website.

The information in this Estimates Memorandum has been approved by Kim Humberstone as co-Director of Finance, on behalf of Sarah Munby, Head of Department and Accounting Officer of the Department for Business, Energy and Industrial Strategy, who is responsible for this Estimate.

Kim Humberstone

Co-Director of Finance

Department for Business, Energy and Industrial Strategy

12 May 2022

**Table A (i) Departmental Expenditure Limits (DELs)**

| Subheads | Description | Programme | Resource | | | | | Capital | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | *This year (Main Estimates budget sought)* | *Last year (Supp Estimates budget approved)* | change from last year | | | *This year (Main Estimates budget sought)* | *Last year (Supp Estimates budget approved)* | change from last year | | |
| | | | £ million | | | % | see note number | £ million | | | % | see note number |
| A | Deliver an ambitious industrial strategy | *Business and enterprise* | 284.3 | 311.9 | | | | 321.0 | 42.2 | | | |
| | | *British Shipbuilders liabilities* | 7.5 | 7.2 | | | | | | | | |
| | | *COVID-19 business support grants* | | 4,595.5 | | | | | | | | |
| | | *South Tees Site Company* | 17.0 | 34.5 | | | | | 11.6 | | | |
| | | *Meteorological Office* | | | | | | 38.6 | 105.3 | | | |
| | | *Ordnance Survey* | | | | | | | 7.5 | | | |
| | | *National Measurement Service* | 14.0 | 14.0 | | | | 116.0 | 92.7 | | | |
| | | *Launch investments* | 0.5 | 5.0 | | | | -39.2 | -48.6 | | | |
| | | *Trade Credit Reinsurance* | | -50.8 | | | | | 28.7 | | | |
| | | *Other programmes* | 3.2 | 26.2 | | | | 9.0 | -7.4 | | | |
| | sub total | | 326.5 | 4,943.5 | **-4,617.0** | **-93.4%** | 1 | 445.4 | 232.0 | **213.4** | **92.0%** | 8 |
| B | Maximise investment opportunities and bolster UK interests | *International Climate Finance* | 76.4 | 131.6 | | | | 263.3 | 303.8 | | | |
| | sub total | | 76.4 | 131.6 | **-55.2** | **-41.9%** | 2 | 263.3 | 303.8 | **-40.5** | **-13.3%** | 9 |
| C, K | Promote competitive markets and responsible business practices | *Better Regulation* | 26.6 | 25.4 | | | | 0.5 | 12.1 | | | |
| | | *Companies House* | 24.0 | 20.0 | | | | 14.7 | 13.0 | | | |
| | | *Insolvency Service* | 83.0 | 80.5 | | | | 6.2 | 6.5 | | | |
| | | *Market Frameworks* | 100.3 | 100.3 | | | | 16.9 | 20.0 | | | |
| | | *Travel Bonding* | | | | | | | | | | |
| | | *Low Pay Commission* | 0.8 | 0.8 | | | | | | | | |
| | | *Advisory, Conciliation and Arbitration Service administration* | 8.6 | 7.8 | | | | | | | | |
| | | *Advisory, Conciliation and Arbitration Service programme* | 55.4 | 49.2 | | | | 2.9 | 7.7 | | | |
| | | *Competition Service administration* | 1.2 | 1.0 | | | | | | | | |
| | | *Competition Service programme* | 7.5 | 3.5 | | | | 0.5 | 0.0 | | | |
| | sub total | | 307.4 | 288.6 | **18.8** | **6.5%** | | 41.7 | 59.4 | **-17.7** | **-29.8%** | 10 |
| D | Delivering affordable energy for households and businesses | *Fuel poverty* | 2.4 | 2.4 | | | | | | | | |
| | | *Green Deal* | 20.5 | 21.4 | | | | | | | | |
| | | *Energy Efficiency* | 9.7 | 9.2 | | | | -40.6 | 0.5 | | | |
| | | *Ofgem costs* | 27.7 | 27.8 | | | | | | | | |
| | | *Smart meters* | 10.2 | 10.1 | | | | | | | | |
| | | *Net Zero Industry* | 13.6 | | | | | 4.0 | | | | |
| | | *Net Zero Buildings and Heat* | 78.7 | 63.2 | | | | 1,160.0 | 1,345.6 | | | |
| | | *Energy Bills Support Scheme* | 5,814.4 | | | | | | | | | |
| | sub total | | 5,977.2 | 134.1 | **5,843.1** | **4358.2%** | 3 | 1,123.4 | 1,346.1 | **-222.7** | **-16.5%** | 11 |
| E, L | Ensuring that our energy system is reliable and secure | *Electricity market reform* | 6.1 | 2.3 | | | | 15.0 | | | | |
| | | *Energy SAR* | 1,637.9 | 667.1 | | | | 977.9 | 1,158.0 | | | |
| | | *New nuclear* | 3.9 | 13.2 | | | | 705.0 | 201.7 | | | |
| | | *Oil and gas* | 6.4 | 6.4 | | | | 14.7 | 4.3 | | | |
| | | *Electricity Settlements Company* | 0.0 | 0.0 | | | | | | | | |
| | sub total | | 1,654.3 | 689.0 | **965.3** | **140.1%** | 4 | 1,712.6 | 1,364.0 | **348.7** | **25.6%** | 12 |
| F, M | Taking action on climate change and decarbonisation | *Carbon capture and storage* | | 13.1 | | | | 46.6 | 123.4 | | | |
| | | *Energy innovation* | 27.4 | 20.5 | | | | 250.9 | 36.2 | | | |
| | | *Renewable energy* | 5.5 | 5.5 | | | | | 42.6 | | | |
| | | *Drive action on climate change* | 0.3 | 0.3 | | | | | | | | |
| | | *International & EU energy & security* | 5.8 | 7.3 | | | | 7.0 | | | | |
| | | *International climate change* | 3.1 | 6.5 | | | | | | | | |
| | | *Heat* | 15.4 | 15.4 | | | | 37.5 | 122.0 | | | |
| | | *National carbon markets* | 0.4 | 0.4 | | | | | | | | |
| | | *Committee on Climate Change BEIS funding* | 3.1 | 3.1 | | | | | | | | |
| | | *Committee on Climate Change other government departments' funding* | 2.0 | 1.2 | | | | | | | | |
| | | *Salix* | 12.0 | 10.4 | | | | 2.4 | 2.4 | | | |
| | | *Low Carbon contracts company* | 4.3 | 0.0 | | | | | 2.8 | | | |
| | sub total | | 79.1 | 83.5 | **-4.3** | **-5.2%** | | 344.4 | 329.3 | **15.1** | **4.6%** | |
| G, N | Managing our energy legacy safely and responsibly | *British Energy liabilities* | 116.300 | 130.0 | | | | | | | | |
| | | *Civil nuclear liabilities* | 0.475 | 0.5 | | | | | | | | |
| | | *Coal pensions* | 0.160 | 0.2 | | | | | | | | |
| | | *Concessionary fuel* | 30.600 | 33.0 | | | | | | | | |
| | | *Global threat reduction programme* | 8.7 | 8.6 | | | | 0.1 | 7.0 | | | |
| | | *Non-proliferation* | 22.0 | 22.6 | | | | | | | | |
| | | *Nuclear security* | 12.4 | 9.0 | | | | 4.5 | 4.6 | | | |
| | | *Nuclear Liabilities Fund* | | | | | | | 5,610.0 | | | |
| | | *Coal Authority administration costs* | 5.2 | 5.1 | | | | | | | | |
| | | *Coal Authority programme costs* | 29.5 | 26.9 | | | | 27.8 | 25.9 | | | |
| | | *Oil and Gas Authority administration costs* | 1.5 | 0.2 | | | | | | | | |
| | | *Oil and Gas Authority programme costs* | 1.8 | 1.7 | | | | 0.2 | 3.9 | | | |
| | | *Civil Nuclear Police Authority costs met by BEIS* | 7.3 | 4.1 | | | | 5.1 | 15.6 | | | |
| | sub total | | 235.9 | 241.7 | **-5.8** | **-2.4%** | | 37.7 | 5,666.9 | **-5,629.3** | **-99.3%** | 13 |
| H, O, S | Science and Research | *UK Atomic Energy Authority* | 16.9 | 8.4 | | | | 233.3 | 221.6 | | | |
| | | *UK Space Agency* | 2.7 | 1.1 | | | | 553.0 | 533.9 | | | |
| | | *Diamond Light Source* | 34.7 | 33.2 | | | | | 3.0 | | | |
| | | *Vaccines Taskforce* | | 35.0 | | | | 206.1 | 12.3 | | | |
| | | *SURE* | | -0.1 | | | | -2.1 | -2.1 | | | |
| | | *Research Capital investment fund* | | | | | | | 21.6 | | | |
| | | *British Academy* | | | | | | | 46.7 | | | |

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | *Royal Academy of Engineering* | | | | | | | | 37.3 | | | |
| | | *Science and society* | | | | | | | 25.0 | 109.0 | | | |
| | | *National Measurement Service* | 0.2 | 0.2 | | | | | 5.0 | 24.3 | | | |
| | | *Research Base and Science contingency* | 3.9 | 1.2 | | | | | 792.6 | 128.1 | | | |
| | | *Animal Licence Fees* | | | | | | | | 0.4 | | | |
| | | *ARIA* | | 0.2 | | | | | 100.0 | | | | |
| | | *Horizon Europe and Euratom* | | | | | | | 2,349.0 | | | | |
| | | *UK Research and Innovation* | 224.5 | 210.2 | | | | | 7,946.5 | 8,411.6 | | | |
| | sub total | | 283.0 | 289.4 | **-6.4** | **-2.2%** | | | 12,208.3 | 9,547.6 | **2,660.7** | **27.9%** | 14 |
| | | | | | | | | | | | | | |
| I, P | Capability | *Core and agency admin* | 584.5 | 507.2 | | | | | | | | | |
| | | *Centrally held/unallocated* | 73.6 | 46.0 | | | | | | -8.8 | | | |
| | | *Other programmes (including EU Exit Programme)* | 27.5 | 27.8 | | | | | 32.0 | 30.4 | | | |
| | | *UK Shared Business Services administration* | 1.6 | 1.6 | | | | | | | | | |
| | sub total | | 687.3 | 582.6 | **104.7** | **18.0%** | 5 | | 32.0 | 21.6 | **10.4** | **48.0%** | 15 |
| | | | | | | | | | | | | | |
| J, Q | Government as Shareholder | *Ordnance Survey* | -10.0 | -10.0 | | | | | 1.0 | 1.0 | | | |
| | | *British Business Bank* | -8.1 | 11.2 | | | | | 289.2 | 745.1 | | | |
| | | *Coronavirus Business Loans* | 107.0 | 1,312.4 | | | | | | | | | |
| | | *Future Fund* | | -0.3 | | | | | | 36.8 | | | |
| | | *Business and Enterprise access to finance* | 26.3 | 26.3 | | | | | | | | | |
| | | *Post Office Network subsidy* | 50.0 | 79.7 | | | | | | 177.0 | | | |
| | | *BEIS (Postal Services Act 2011) company* | 2.3 | 2.3 | | | | | | | | | |
| | | *Northern Powerhouse* | 3.2 | 3.2 | | | | | 61.2 | 43.8 | | | |
| | | *Midlands Engine* | 1.9 | 1.9 | | | | | 56.2 | 47.0 | | | |
| | | *Cornwall and Isles of Scilly Fund* | 0.2 | 0.2 | | | | | 7.4 | 9.4 | | | |
| | | *British Technology Investments* | 0.9 | 1.1 | | | | | 20.0 | 45.0 | | | |
| | | *Other programmes* | 11.1 | 11.1 | | | | | | 0.9 | | | |
| | | *Meteorological Office* | -8.5 | -8.5 | | | | | 242.5 | 105.9 | | | |
| | | *Enterprise finance guarantee* | | | | | | | 12.0 | 16.3 | | | |
| | | *Enterprise capital fund* | | -11.8 | | | | | | -61.5 | | | |
| | sub total | | 176.4 | 1,419.0 | **-1,242.6** | **-87.6%** | 6 | | 689.7 | 1,166.7 | **-477.0** | **-40.9%** | 16 |
| | | | | | | | | | | | | | |
| R, T | Nuclear Decommissioning Authority and Site Licence Company expenditure /income | *NDA administration costs* | 45.0 | 50.1 | | | | | | | | | |
| | | *NDA gross programme* | 263.1 | 180.7 | | | | | 32.4 | 79.7 | | | |
| | | *NDA SLC programme* | 1,208.5 | 1,135.0 | | | | | 2,128.6 | 1,963.0 | | | |
| | | *NDA programme income* | -847.9 | -600.0 | | | | | | | | | |
| | sub total | | 668.7 | 765.8 | **-97.1** | **-12.7%** | 7 | | 2,161.0 | 2,042.7 | **118.3** | **5.8%** | |
| | | | | | | | | | | | | | |
| | total voted and non voted | | 10,472.1 | 9,568.6 | **903.5** | **9.4%** | | | 19,059.5 | 22,080.0 | -3,020.5 | **-13.7%** | |