

Department for Energy Security and Net Zero (DESNZ)

Supplementary Estimate 2023-24: Estimates memorandum

1 Overview

1.1 Objectives

When the Department for Energy Security and Net Zero (DESNZ) was created the following priority outcomes were announced:-

1. Ensure security of energy supply this winter, next winter and in the longer-term – bringing down energy bills and reducing inflation.
2. Ensure the UK is on track to meet its legally binding Net Zero commitments and support economic growth by significantly speeding up delivery of network infrastructure and domestic energy production.
3. Improve the energy efficiency of UK homes, businesses and public sector buildings to meet the 15% demand reduction ambition.
4. Deliver current schemes to support energy consumers with their bills and develop options for long-term reform to improve how the electricity market works for families and businesses.
5. Seize the economic benefits of Net Zero, including the jobs and growth created through investment in new green industries.
6. Pass the Energy Bill to support the emerging CCUS and hydrogen sectors; to update the governance of the energy system; and to reduce the time taken to consent offshore wind.

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

1.2 Spending controls

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

The spending totals which Parliament votes are as follows.

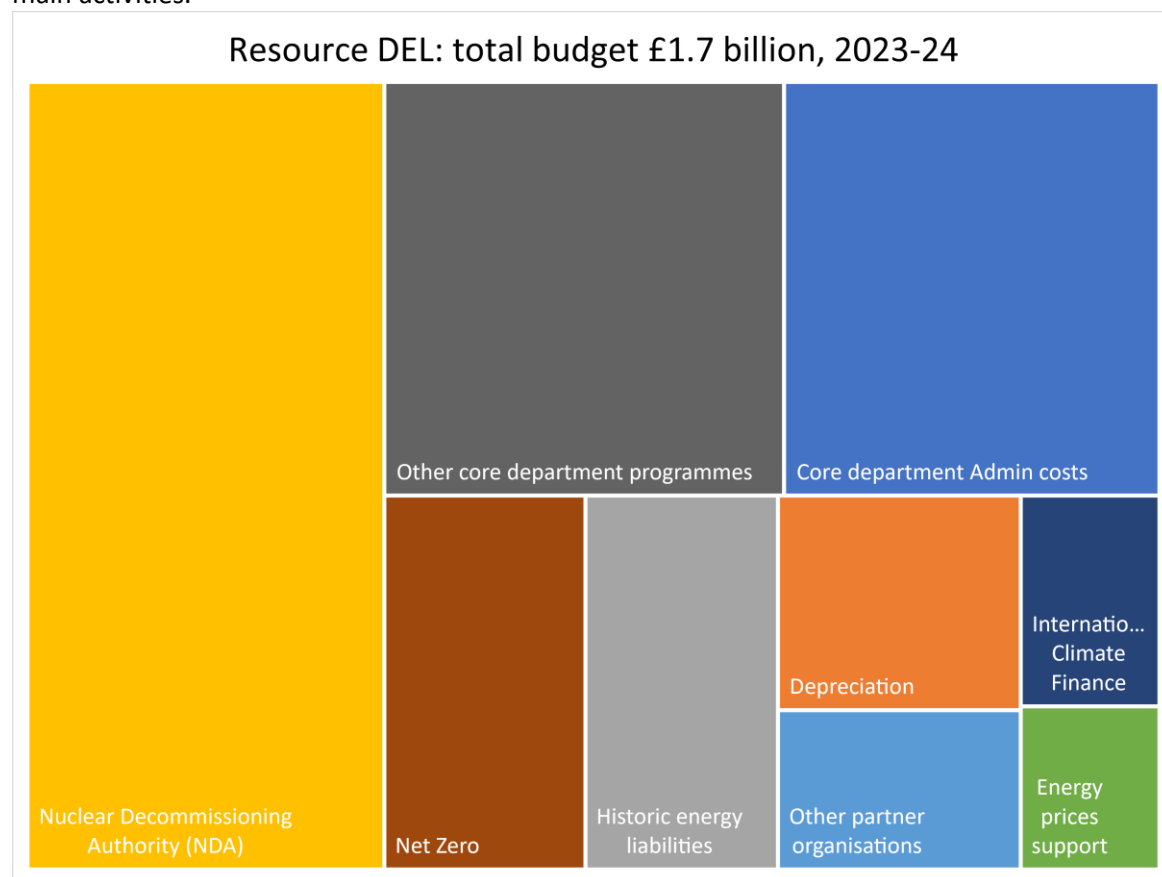
- Resource Departmental Expenditure Limit ("**Resource DEL**") - day to day running costs;
- Capital Departmental Expenditure Limit ("**Capital DEL**") - investment in infrastructure, Research and Development;
- Resource Annually Managed Expenditure ("**Resource AME**") - less predictable day to day spending: in DESNZ's case, mainly the Energy price support schemes, the Renewable Heat Incentive, 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

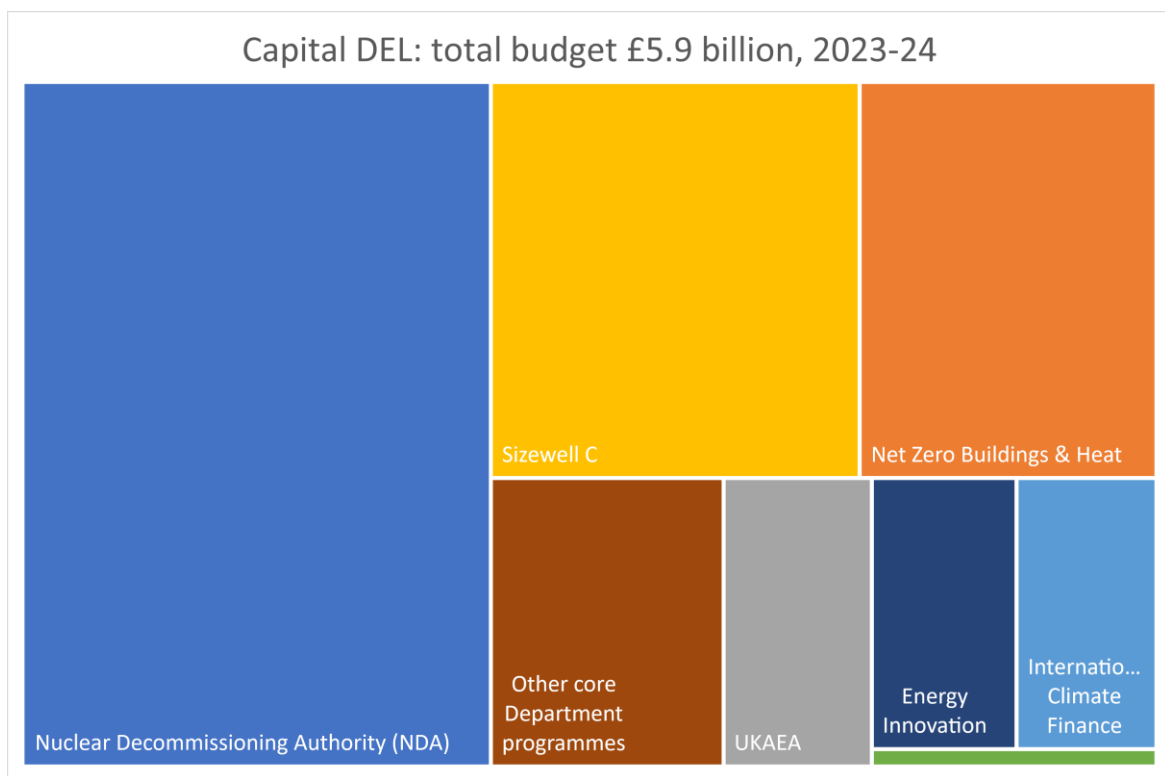
- Capital Annually Managed Expenditure (“**Capital AME**”) - largely movements in surpluses in Coal Pension schemes.

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

1.3 Main areas of spending

The graphic below shows the main components of DESNZ’s proposed budget for the current year, after taking account of the latest Supplementary Estimate, and the proportions of funds spent on its main activities.

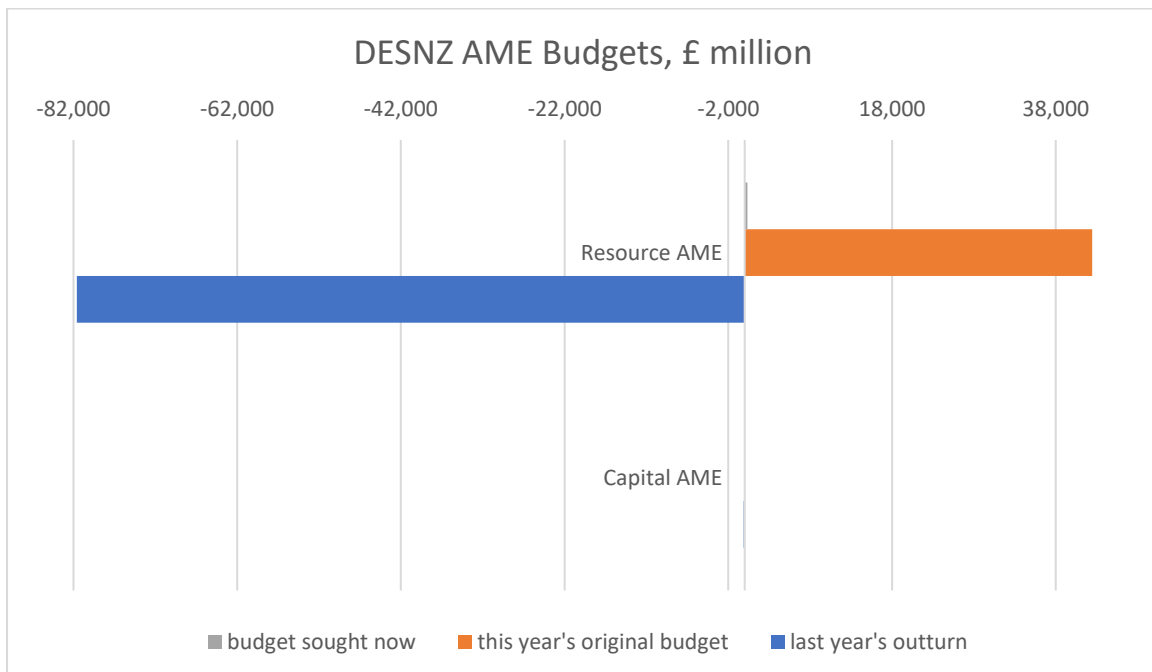
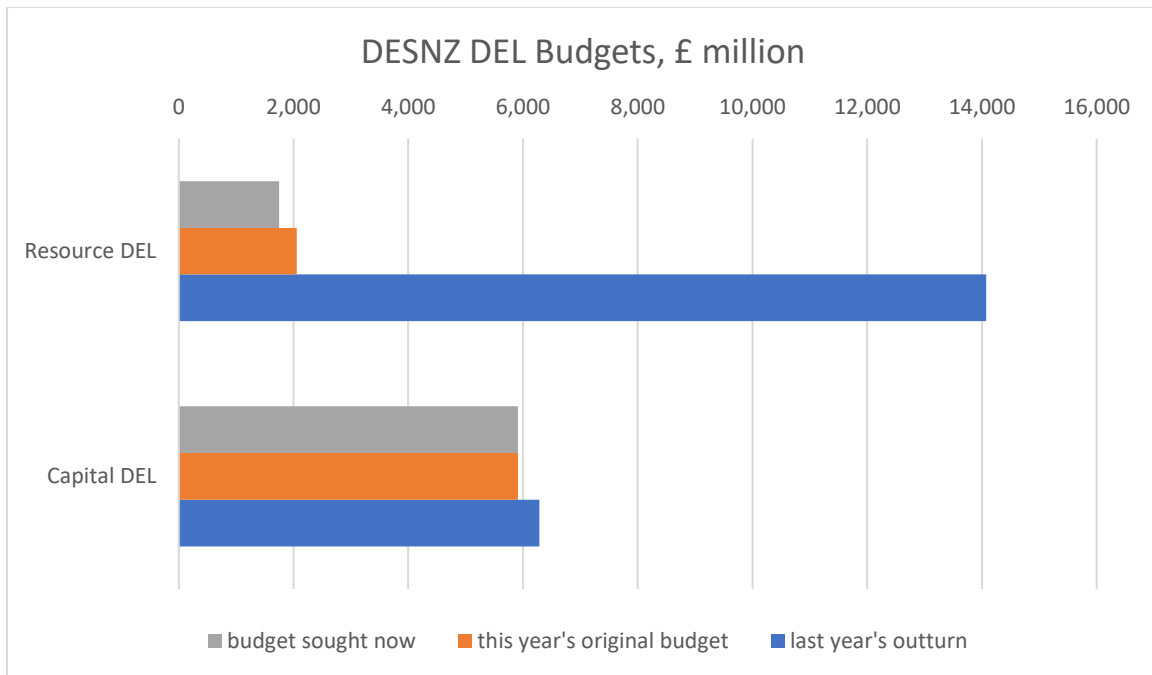




1.4 Comparison of spending totals sought

The table and graphic below show how the totals sought for DESNZ compare with the Main Estimate and outturn for last year:

Spending total Amounts sought this year (Supplementary Estimate 2023-24)		Compared to original budget this year (Main Estimate 2023-24)		Compared to final outturn last year (Outturn 2022-23)	
		£ m	%	£m	%
Resource DEL	£1,748.4m	-£308.5m	-15.0%	-£12,324.5m	-87.6%
Capital DEL	£5,909.6m	-£4.1m	-0.1%	-£377.7m	-6.0%
Resource AME	£352.2m	-£42,109.5m	-99.2%	+£81,946.1m	+100.4%
Capital AME	£(24.3)m	-	-	+£98.9m	+80.3%



1.5 Key drivers of spending changes since original budget

The main causes of the changes in Resource DEL are as follows:

- £(284.5) million surrender of unused funding for Energy price support
- £(19.8) million budget cover transfer to the Foreign, Commonwealth and Development Office (FCDO) for International Climate Finance (ICF).

The main causes of the changes in Capital DEL are as follows:

- £27.0 million budget cover transfer from Department for Environment, Food and Rural Affairs for ICF - Initiative for Sustainable Forest Landscapes (ISFL);
- £19.7 million budget cover transfer from Department for Science, Innovation and Technology for ICF - Research & Development (R&D);
- £(20.0) million budget cover transfer to Department of Health and Social Care for Public Sector Decarbonisation Scheme for NHS;
- £(30.9) million surrender of unspent funding returned by Local Authorities.

The main causes of the changes in Resource AME are as follows:

- £(597.8) million decrease in costs of energy price support schemes for 2023-24
- £(896.0) million decrease in Coal Authority provisions (due to movement in the discount rate)
- £(2,986.5) million decrease in non-cash provisions for energy price support schemes
- £(17,400.0) million decrease in movement in Fair Value of Contracts for Difference
- £(20,000.0) million decrease in Nuclear Decommissioning Authority Nuclear Provisions (largely due to movements in the discount rate)

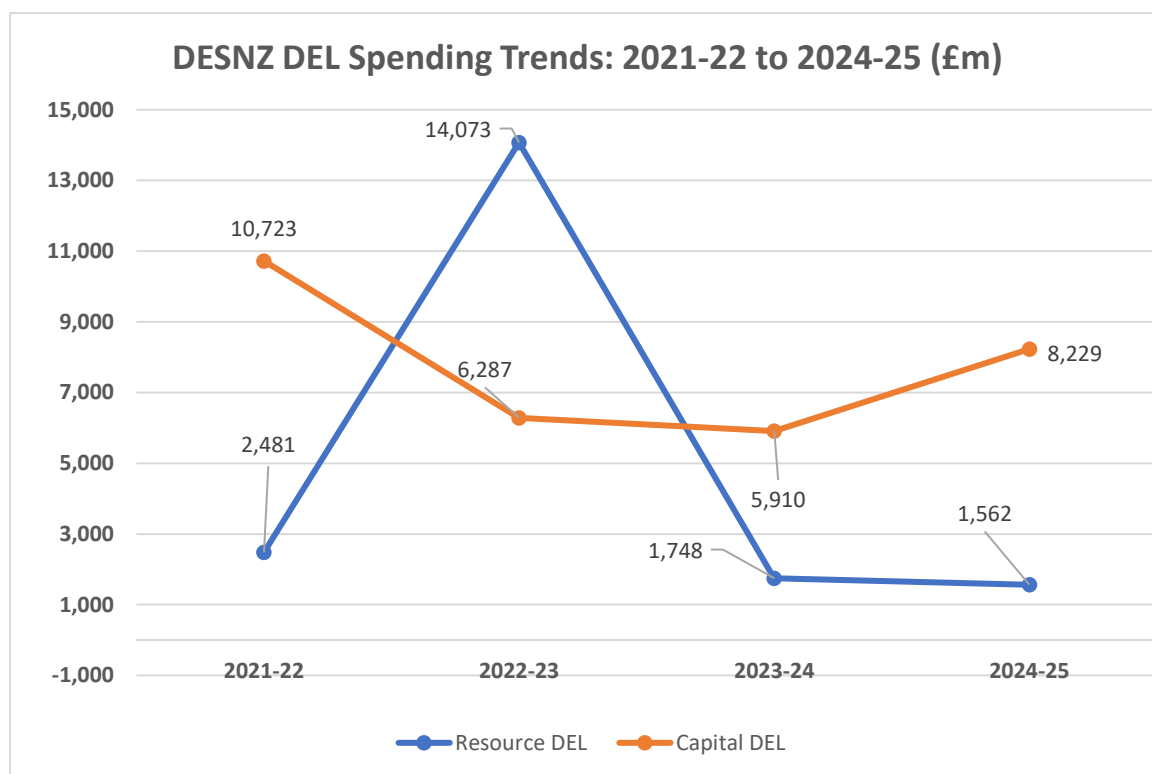
There are no changes in Capital AME.

1.6 New policies and programmes; ambit changes

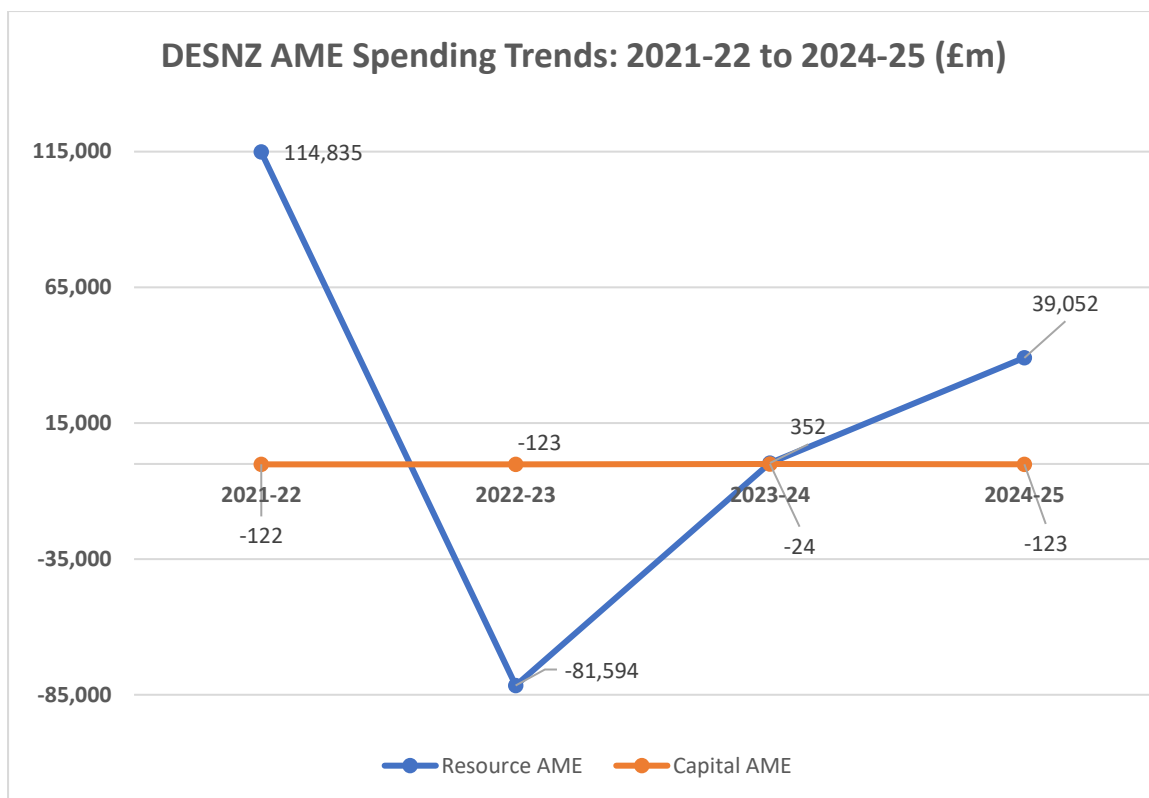
There are no significant changes to DEL and AME Budgets which relate to new policies and programmes; and there are no changes to the ambit in this Supplementary Estimate.

1.7 Spending trends

The charts below show overall spending trends for the last two years, plans presented in Estimates for 2023-24 and plans for the remainder of the Spending Review period. 2022-23 outturn figures represent an interim split for the former Department for Business, Energy and Industrial Strategy (BEIS) as published by HMT in PESA (Public Expenditure Statistical Analyses) in July 2023¹. Following completion of the final restatement of the former BEIS 2022-23 accounts, figures will be updated for inclusion in 2024 PESA.



¹ <https://www.gov.uk/government/statistics/public-expenditure-statistical-analyses-2023>



DEL Budgets

- The increase in Resource DEL to £14.1 billion in 2022-23 is largely driven by the Energy Bills Support Scheme.
- Capital DEL included an additional £5.6 billion budget for the Nuclear Liabilities Fund in 2021-22 and an additional £0.9 billion in 2022-23 for the Energy Special Administration Regime (SAR).

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 2022-23.
- The new energy price support schemes for households and business (EPG and EBRs respectively) are included for the first within Resource AME in 2022-23; and
- Capital AME has remained largely stable as receipts of coal pension surpluses have remained unchanged over the period.

1.8 Administration costs

Administration costs including depreciation are set to increase by £36.7 million, or 3.8% compared to the Main Estimate.

Spending total Amounts sought this year (Supplementary Estimate 2023-24)		Compared to original budget this year (Main Estimate 2023-24)		Compared to final outturn last year (Outturn 2022-23)	
		£ m	%	£m	£ m
Administration costs	£420.3 m	+£36.7 m	+9.6%	+£77.8 m	+22.7%

The Department has switched £34.8 million from RDEL-Programme to RDEL-Administration for the core Department to match expenditure profiles.

The remaining movement in Administration since the Main Estimate is due to several small budget cover transfers with other departments totalling a net increase of £1.9 million.

1.9 Funding: Spending Review and Budgets

The levels of DEL funding for DESNZ for 2023-24 are based on plans published for BEIS in Spending Review 2021. Since that time, the Government has made a number of changes to 2023-24 spending plans, notably the creation of DESNZ and additional funding for the Energy Bill Support Scheme. Details of funding changes are set out in the Table at Annex B.

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; and
- grant funding for projects developing novel technology and processes that reduce the cost of deploying CCUS (Carbon Capture, Usage and Storage).

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 'Capability' subhead. However, due to Parliamentary rules, budgets must be assigned only to one specific Estimate subhead, even though spending often contributes to other lines.

2.1 Explanations of changes in spending

Resource DEL

The table below shows how spending plans for Resource DEL compare with the Main Estimate.

Subheads	Description	Resource DEL				
		£ million			%	
		<i>This year (2023-24 Supplemen tary Estimates budget sought)</i>	<i>This year (2023-24 Main Estimate budget approved)</i>	change from Main Estimate		see note number
A	Delivering affordable energy for households and businesses	246.4	508.6	-262.3	-51.6%	1
B, G	Ensuring that our energy system is reliable and secure	107.5	58.3	49.2	84.4%	2
C, H	Taking action on climate change and decarbonisation	175.7	198.0	-22.3	-11.3%	3
D, I	Managing our energy legacy safely and responsibly	240.5	239.5	1.0	0.4%	
E, J	Science and Research	18.0	18.0	0.0	0.0%	
F	Capability	375.3	368.3	7.0	1.9%	
K, L	Nuclear Decommissioning Authority	585.1	658.7	-73.6	-11.2%	4
	Deliver an ambitious industrial strategy	-	7.6	-7.6	-100.0%	5
	Total voted and non voted	1,748.4	2,056.9	-308.5	-15.0%	

Differences of more than 10% which are more than £10 million (and other significant or unusual changes) 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. Delivering affordable energy for households and businesses

Resource DEL spending under this subhead is, overall, forecast to decrease by £262.3 million, or 51.6 % since the Main Estimate.

This is driven largely by:

- £(34.8) million decrease due to switches from Programme to Administrative expenditure;
- £(40.0) million decrease from underspends redirected elsewhere within DESNZ for Energy Bills Support Scheme Alternative Funding;

- £(240.0) million decrease due to surrenders of unspent funding for Energy Bills Support Scheme; and
- a £56.3 million increase to align with final opening internal budgets.

2. Ensuring that our energy system is reliable and secure

Resource DEL spending under these subheads is, overall, forecast to increase by £49.2 million, or 84.4% since the Main Estimate.

This is driven largely by:

- An increase of £40.0 million for Bulb Energy Special Administration Regime (SAR) wind up costs;
- £7.6m increase to align with final opening internal budgets; and
- a £1.3m budget cover transfer from DEFRA for NSIPs.

3. Taking action on climate change and decarbonisation

Resource DEL spending under these subheads is, overall, forecast to decrease by £22.3 million, or 11.3% since the Main Estimate.

This is driven largely by:

- £(19.9) million budget cover transfers to the Foreign, Commonwealth and Development Office (FCDO), and £0.2 million transfers from the FCDO, for International Climate Finance;
- £(8.3) million decrease to align with final opening internal budgets;
- £4.1 million increase for Industrial Heat; and
- £1.3 million budget cover transfers from the Department for Business and Trade for International Secondments and Extractive Industries Transparency Initiative (EITI).

4. NDA and SLC expenditure

Resource DEL spending under these subheads (covering the expenditure of the Nuclear Decommissioning Authority and the subsidiary Site Licence Companies (SLC) is, overall, forecast to decrease by £73.6 million, or 11.2 % since the Main Estimate.

This is driven largely by:

- £10.3 million increase in net Resource to align with opening Budgets for the year; and
- £(83.9) million decrease, offset by a similar increase in Capital DEL, to match the expected split between Resource and Capital DEL for nuclear decommissioning costs.

5. Deliver an ambitious industrial strategy

Resource DEL spending under this subhead is forecast to decrease by £7.6 million, or 100.0% since the Main Estimate. This is due to the budget cover transfer of £(7.6) million reflecting the transfer of responsibilities for British Shipbuilders liabilities to the Department for Business and Trade as agreement was reached on the final split of responsibilities of the former Department for Business, Energy and Industrial Strategy following the Machinery of Government changes announced on 7 February 2023.

Capital DEL

The table below shows how spending plans for Capital DEL compare with the Main Estimate.

Subheads	Description	Capital DEL				
		£ million			%	
		<i>This year (2023-24 Supplementary Estimates budget sought)</i>	<i>This year (2023-24 Main Estimate budget approved)</i>	change from Main Estimate		see note number
A	Delivering affordable energy for households and businesses	895.3	1,288.0	-392.7	-30.5%	6
B, G	Ensuring that our energy system is reliable and secure	1,480.4	1,064.5	415.9	39.1%	7
C, H	Taking action on climate change and decarbonisation	632.0	753.0	-121.0	-16.1%	8
D, I	Managing our energy legacy safely and responsibly	40.5	30.7	9.8	32.1%	
E, J	Science and Research	327.6	459.6	-132.1	-28.7%	9
F	Capability	93.2	17.8	75.3	423.0%	10
K, L	Nuclear Decommissioning Authority	2,440.6	2,300.1	140.5	6.1%	11
	Total voted and non voted	5,909.6	5,913.6	-4.1	-0.1%	

Differences of more than 10% which are more than £10 million (and other significant or unusual changes) 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.

6. Delivering affordable energy for households and businesses

Capital DEL spending under this subhead is, overall, forecast to decrease by £392.7 million, or 30.5 % since the Main Estimate.

This is driven largely by:

- £104.8 million increase to align with final opening internal budgets;
- £(329.5) million underspends on Net Zero programmes reprioritised for investment in Sizewell C and IFRS16 pressures;
- £(117.6) million recovered Local Authority funding for the Public Sector Decarbonisation Scheme, Heating Upgrade Grants, Social Housing Decarbonisation Fund and the Local Authority Delivery scheme reprioritised for new nuclear;
- £(20.0) million transfer to the Department for Health and Social Care for Public Sector Decarbonisation Scheme for NHS; and
- £(30.1) million surrender of recovered Local Authority funding Heating Upgrade Grants.

7. Ensuring that our energy system is reliable and secure

Capital DEL spending under these subheads is, overall, forecast to increase by £415.9 million, or 39.1 % since the Main Estimate.

This is driven largely by:

- £250.0 million increased budget for new nuclear, funded by recovered Local Authority funding, reprofiling of FLOWMIS budgets and underspends on Euratom association;
- £200.3 million increased budget for Sizewell C funded by underspends on Net Zero programmes outlined above;
- £10.3 million increased budget for fusion R&D funded by underspends on Euratom association;
- £7.0 million increase budget for National Nuclear Laboratory; and
- £(48.3) million reduction in budget for Offshore network reform.

8. Taking action on climate change and decarbonisation

Capital DEL spending under these subheads is, overall, forecast to decrease by £121.0 million, or 16.1 % since the Main Estimate.

This is driven largely by:

- £27.0 million transfer from the Department for Environment, Food and Rural Affairs for ICF - Initiative for Sustainable Forest Landscapes (ISFL).
- £19.7 million transfer from the Department for Science, Innovation and Technology for International Climate Finance (ICF) ODA (Official Development Assistance);
- £9.1 million increased budget for Offshore wind R&D funded by underspends on Euratom association;
- £(70.0) million reprioritisation to new nuclear as outlined above of unused funding for Floating Offshore Wind Manufacturing Investment Scheme (FLOWMIS); and
- £(104.8) million decrease to align with final opening internal budgets.

9. Science and Research

Capital DEL spending under these subheads is, overall, forecast to decrease by £132.1 million, or 28.7 % since the Main Estimate.

This is driven largely by:

- £(61.4) million reallocation of Euratom budget for new nuclear as outlined above;
- £(48.5) million reduction reflecting the allocation of unused budget for Euratom to meet pressures arising from IFRS 16; and
- £(22.8) million reallocation of Euratom budget for R&D spend on Offshore wind, Fusion and NDA.

10. Capability

Capital DEL spending under these subheads is, overall, forecast to increase by £75.3 million, or 423.0 % since the Main Estimate. This is driven largely by the unringfencing of underspends elsewhere to meet pressures arising from IFRS 16, notably for the capitalisation of new leases for 3-8 Whitehall Place and 55 Whitehall, together with the £(3.4) million budget cover transfer to the Cabinet Office for Government Property Agency capital projects on behalf of the Department.

11. NDA and SLC expenditure

Capital DEL spending under these subheads (covering the expenditure of the Nuclear Decommissioning Authority and the subsidiary Site Licence Companies (SLC)) is, overall, forecast to increase by £140.5 million, or 6.1 % since the Main Estimate.

This is driven largely by:

- £83.9 million increase, offset by a similar decrease in Resource DEL, to match the expected split between Resource and Capital DEL for nuclear decommissioning costs;
- £53.0 million increase for pressures arising from IFRS 16; and
- £3.1 million increased budget for R&D funded by underspends on Euratom association.

Resource AME

The table below shows how spending plans for Resource AME compare with the Main Estimate.

Subheads	Description	Resource AME				
		£ million			%	
		<i>This year (2023-24 Supp Estimates budget sought)</i>	<i>This year (2023-24 Main Estimates budget approved)</i>	change from Main Estimate		<i>note number</i>
M	Delivering affordable energy for households and business	2,078.7	5,663.0	-3,584.3	-63.3%	12
N, S	Taking action on climate change and decarbonisation	7,605.2	25,000.0	-17,394.8	-69.6%	13
O, T, X	Managing our energy legacy safely and responsibly	406.4	1,537.9	-1,131.5	-73.6%	14
P, U	Science and Research	978.0	977.2	0.8	0.1%	
Q	Capability	5.4	-0.1	5.5	-4041.6%	
R	Renewable Heat Incentive	1,172.0	1,203.0	-31.0	-2.6%	
V	Government as Shareholder	-80.0	-80.0	0.0	0.0%	
W	Nuclear Decommissioning Authority	-11,813.5	8,186.5	-20,000.0	-244.3%	15
	Deliver an ambitious industrial strategy	-	-25.7	25.7	-100.0%	16
	Total voted and non voted	352.2	42,461.7	-42,109.5	-99.2%	

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

12. Delivering affordable energy for households and businesses

Resource AME spending on this subhead is forecast to decrease by £3,584.3 million, or 63.4%, since the Main Estimate. This is due to a reduction in the non-cash provision for the Energy Price Guarantee (EPG) Scheme of £(2,986.5) million, a reduction of £(593.8) million for the Energy Bills Relief Scheme, and a £(4.0) millions reduction for the Energy Bills Discount Scheme.

13. Taking action on climate change and decarbonisation

Resource AME spending on these subheads is forecast to be £17,394.8 million, or 69.6%, lower than in the Main Estimate due almost entirely to a reduction in the forecast for movements in the fair value of Contracts for Difference held by the Low Carbon Contracts Company. Although there will in practice be no net liability to government, accounting rules mean that the movement within the year in the estimated net present value of future payments to generators has to be recognised as a liability by the Low Carbon Contracts Company. As the matching receipts from electricity suppliers are classified as future taxation they cannot be recognised as an offsetting asset in the accounts. As set out in Part III: Note F, included within the remaining forecast of £7,600.0 million is £2,600.0 million for the impact of the FReM (Financial Reporting Manual) new adaptation to IFRS 9 to measure financial instruments, with the exception of financial guarantees, at initial recognition at fair value.

14. Managing our energy legacy safely and responsibly

Resource AME spending on these subheads is forecast to be £1,131.5 million lower, or 73.6% than in the Main Estimate due to movements in provisions for Coal Authority (£(896.0) million) due to the changes in the discount rate, Coal Health liabilities (£(16.2) million), Concessionary Fuel (£(188.2) million) and British Energy liabilities (£(31.1) million).

15. Nuclear Decommissioning Authority

Resource AME spending on this subhead is forecast to decrease by £20,000.0 million, or 244.3% compared to the Main Estimate. The decrease is mainly as a result of applying a revised discount rate to the NDA nuclear provision.

16. Deliver an ambitious industrial strategy

Resource AME spending on this subhead is forecast to increase by £25.7 million, or 100.0% since the Main Estimate. This is due to the transfer of responsibility for historic British Shipbuilders liabilities to the Department for Business and Trade.

Capital AME

The table below confirms there are no changes to spending plans for Capital AME compared with Main estimates.

Subheads	Description	Capital AME				
		£ million			%	
		<i>This year (2023-24 Supp Estimates budget sought)</i>	<i>This year (2023-24 Main Estimate budget approved)</i>	change from Main Estimate		<i>note number</i>
O, T, X	Managing our energy legacy safely and responsibly	-128.3	-128.3	-	-	
P, U	Science and Research	104.0	104.0	-	-	
	Total voted and non voted	-24.3	-24.3	-	-	

2.2 Restructuring

There are no restructuring changes included in this Supplementary Estimate.

2.3 Ringfenced 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. As part of this Supplementary Estimate, HM Treasury have agreed to relax a number of ringfences in order for the Department to reallocate underspends and manage pressures.

HM Treasury have agreed to relax ringfences across CDEL General Capital underspends to fund IFRS 16 pressures (£183.8m) and for new nuclear, and Euratom Research and Training ringfence for Research and Development proposals (£22.8m). HM Treasury have also agreed to relax ringfences across RDEL Programme using Energy Affordability schemes underspends to fund Local Net Zero Accelerator (£19.2), reclassification of roles from RDEL Admin to Programme (£22.35m), and for Bulb SAR (Special Administration Regime) wind down costs (up to £60m). Detailed revised policy ringfences are still being agreed at this time.

Spending total Amounts sought this year (Supplementary Estimate 2023-24)		Compared to original budget this year (Main Estimate 2023-24)		Compared to outturn last year (Outturn 2022-23)	
		£m	%	£m	%
International Climate Finance (ICF) ODA (Official Development Assistance) (Resource DEL)	£57.3m	-£19.6m	-25.5%	+£18.4m	+47.4%
International Climate Finance ODA (Capital DEL)	£288.9m	+£46.7m	+19.3%	+£68.1m	+30.9%
Financial transactions	-£15.7m	+£23.6m	+59.9%	-£2,019.6m	-100.8%
<i>Of which:</i>					
<i>ICF ODA</i>	£25.0m	+£25.0m	-	+£2.0m	+8.9%
<i>Energy Efficiency Loans</i>	-£41.8m	-	-	+£6.3m	+13.2%
<i>Energy SAR</i>	-	-	-	-£2,024.6m	-100.0%
<i>Other</i>	£4.5m	+£2.0m	+78.5%	-£0.0m	-0.3%
Nuclear Decommissioning Authority (Resource DEL)	£585.1m	-£73.6m	-11.2%	+£123.7m	+26.8%
Nuclear Decommissioning Authority (Capital DEL)	£2,440.6m	+£140.5m	+6.1%	+£203.3m	+9.1%
Depreciation	£102.1m	-	-	+£70.0m	+218.7%

2.4 Changes to contingent liabilities

The list of contingent liabilities shown in Part III: Note K has been updated in line with those included in the BEIS 2022-23 Annual Report and Accounts.

New contingent liabilities since 2021-22 are as follows.

- Energy Price Guarantee Scheme administrator indemnities;
- Claims for judicial review in relation to Bulb Energy Limited;
- Energy Price Guarantee Scheme;
- Energy Bill Discount Scheme;
- Energy Bill Support Scheme Alternative Funding;
- Energy Price Guarantee Alternative Fuel Payment Alternative Fund;
- Non-Domestic Alternative Fuel Payment Scheme;
- Energy Price Guarantee Pre Payment Meter customers;
- Nuclear Decommissioning Authority - renewal of an uncapped indemnity in the Sellafield Replacement Sea Line (RSL) Lease.

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> Estimates subheads	1: Ensure security of energy supply this winter, next winter and in the longer-term – bringing down energy bills and reducing inflation	2: Ensure the UK is on track to meet its legally binding Net Zero commitments and support economic growth by significantly speeding up delivery of network infrastructure and domestic energy production	3: Improve the energy efficiency of UK homes, businesses and public sector buildings to meet the 15% demand reduction ambition	4: Deliver current schemes to support energy consumers with their bills and develop options for long-term reform to improve how the electricity market works for families and businesses	5: Seize the economic benefits of Net Zero, including the jobs and growth created through investment in new green industries	6: Pass the Energy Bill to support the emerging CCUS and hydrogen sectors; to update the governance of the energy system; and to reduce the time taken to consent offshore wind
A, M		X	X	X		
B, G	X					
C, H, N, S	X	X				X
D, I, O, T, X	X	X				
E, J, P, U		X				
F, Q	X	X	X	X	X	X
K, L, W		X				
R		X	X		X	
V		X			X	

3.2 Measures of performance against each priority

The Department for Energy Security and Net Zero's Outcome Delivery Plan will in due course set out the Secretary of State's high-level objectives, and measures of performance, for the Department.

3.3 Major projects

The Department is responsible for nineteen major projects, as at the end of March 2023. Six are nuclear energy or decommissioning projects, and most of the remaining portfolio relates to energy networks and systems:

- CCUS (Carbon Capture, Usage and Storage)
- Energy Bills Support Scheme
- Geological Disposal Facility Programme (GDF)
- Green Heat Network Fund
- Green Homes Grant: Local Authority Delivery (LAD)
- Home Upgrade Grant (HUG) Phase 1
- Home Upgrade Grant (HUG) Phase 2
- Industrial Decarbonisation & Hydrogen Revenue Support
- Local Authority Delivery (LAD) Phase 3
- Low Cost Nuclear Programme (Rolls Royce SMRs Challenge)
- Net Zero Hydrogen Fund
- 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
- Spherical Tokamak for Energy Production

The Infrastructure and Projects Authority [reports](#) on delivery of major projects annually. Data for DESNZ can be found [here](#).

4. Other information

4.1 Breakdown of Administration Budget

Spending total		Compared to original budget this year	
Amounts sought this year		(Main Estimate 2023-24)	
(Supplementary Estimate 2023-24)		(Main Estimate 2023-24)	
	£ million	£ million	%
Wages and salaries / Purchase of goods and services/other	£413.8m	+£144.2m	+53.5%
Depreciation	£70.3m	+£4.3m	+6.6%
Sale of goods and services/other income	£(107.4)m	-£107.4m	n/a
OGD income for Committee on Climate Change	£(2.0)m	-	-
Total core department & Agency administration	£374.7m	+£41.1m	+12.3%
Civil Nuclear Police Authority	£0.7m	-£3.7m	-83.5%
Committee on Climate Change	£5.1m	-	-
Coal Authority	£6.0m	+£0.1m	+1.9%
Oil and Gas Authority	£0.0m	-£0.7m	-100.0%
Nuclear Decommissioning Authority	£33.7m	-£0.0m	-0.1%
Total Partner Organisations administration	£45.6m	-£4.4m	-8.7%
Total Administration Budget	£420.3m	+£36.7m	+9.6%

4.2 Additional tables for Nuclear Decommissioning Authority

NDA DEL Budgets	£ million			
	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Resource DEL expenditure	1,427.9	1,492.4	1,635.0	1,795.6
Resource DEL income	-693.9	-1,032.2	-1,049.9	-1,298.9
Net Resource DEL	734.1	461.3	585.1	496.7

<i>of which Admin</i>	35.5	29.5	33.7	31.7
Capital DEL expenditure	2,023.1	2,237.3	2,440.6	2,433.0
Capital DEL income	-	-	-	-
Net Capital DEL	2,023.1	2,237.3	2,440.6	2,433.0
Total Net DEL	2,757.1	2,698.7	3,025.7	2,929.7

NDA AME Budgets	£ million			
	2021-22 outturn	2022-23 outturn	2023-24 plans	2024-25 plans
Depreciation/Impairments	145.7	187.3	186.5	31.3
Movement in Provisions/other non-cash	100,459.3	-110,552.7	-12,000.0	12,804.0
Total AME	100,605.1	-110,365.4	-11,813.5	12,835.3

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 David Thomas as Chief Financial Officer, on behalf of Jeremy Pocklington, Head of Department and Accounting Officer of the Department for Energy Security and Net Zero, who is responsible for this Estimate.

David Thomas

Chief Financial Officer

Department for Energy Security and Net Zero

27 February 2024