Department for Work & Pensions

Supplementary Estimate 2023-24

Select Committee Memorandum

February 2024

Contents

1 Overview

1.1 Objectives

The Department for Work & Pension's (DWP) vision is to improve peoples' day to day lives and help them build financial resilience and a more secure and prosperous future. We will do this by helping people to move into work and supporting those already in work to progress, with the aim of increasing overall workforce participation. We will help people to plan and save for later life, while providing a safety net for those who need it now. We want to deliver effective, efficient, and innovative services to the millions of claimants who rely on us every day, including the most vulnerable in society, improving their experience of our services while maximising value for money for the taxpayer.

To achieve this vision, we will focus on delivering against our four Strategic Outcomes:

1. Maximise employment, reduce economic inactivity, and support the progression of those in work
2. Deliver financial support to people who are entitled to it
3. Enable disabled people and people with health conditions to start, stay, and succeed in work, and get financial support
4. Support financial resilience in later life

To make sure that we are well placed to achieve our vision, our cross-cutting Delivery Objective reflects how we will work across DWP to achieve our Strategic Outcomes: Deliver high quality services, tackle fraud and maximise value for money for the taxpayer.

This Memorandum presents DWP's main areas of spending for 2023-24 in the context of spending controls, comparing that spend to outturn for 2022-23 and the Main Estimate 2023-24.

1.2 Spending controls

DWP's spending is broken down into several different spending totals, for which Parliamentary 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 and financial transactions. Financial transactions in Capital DEL mainly relates to Social Fund Expense Payments and loans to Public Corporations.

- **Resource Annually Managed Expenditure ("Resource AME")** – in DWP's case, mainly payment of pensions and benefits.

- **Capital Annually Managed Expenditure ("Capital AME")** – in DWP's case, mainly Universal Credit (UC) advances to customers, payments of Support for Mortgage Interest loans, leasehold dilapidation provisions and Social Fund net lending.

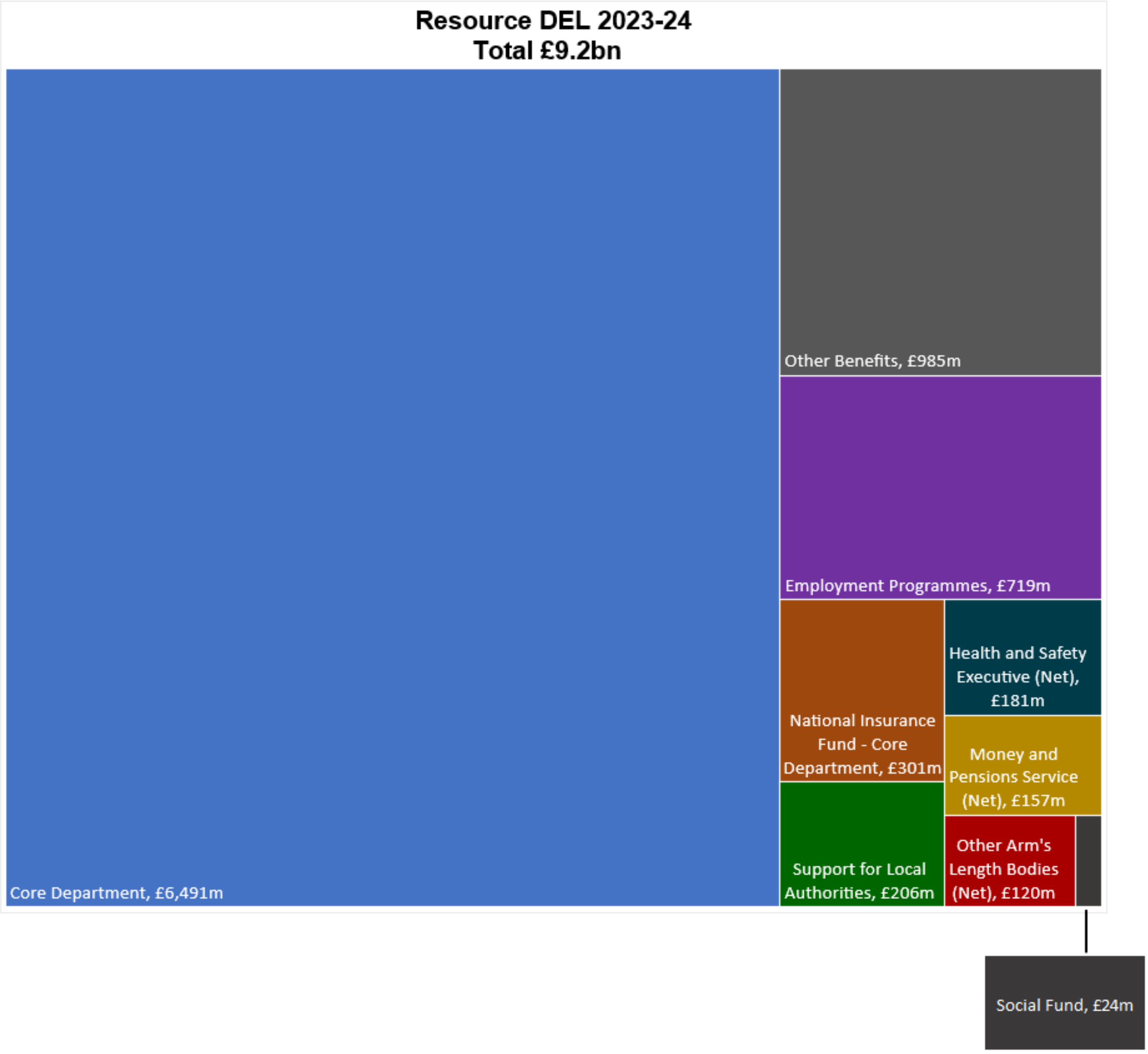
- **Non-budget expenditure** – the cash paid into the Social Fund.

In addition, Parliament votes a net cash requirement, which covers the cash elements of the voted spending totals above.

1.3 Main areas of spending

The figures below show the main components of DWP's proposed budget, included in the Supplementary Estimate.

Figure 1: Resource DEL 2023-24[1]



[1] Resource DEL total includes -£20.3m for Funding for Public Corporations (Subhead G) which relates to loan repayments from the National Employment Savings Trust.

Figure 2: Capital DEL 2023-24

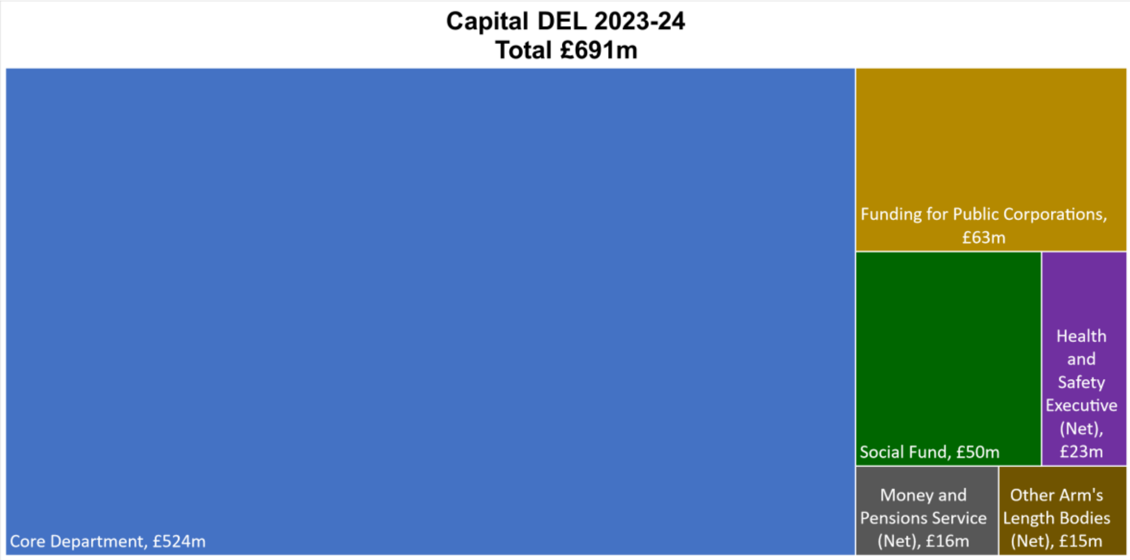
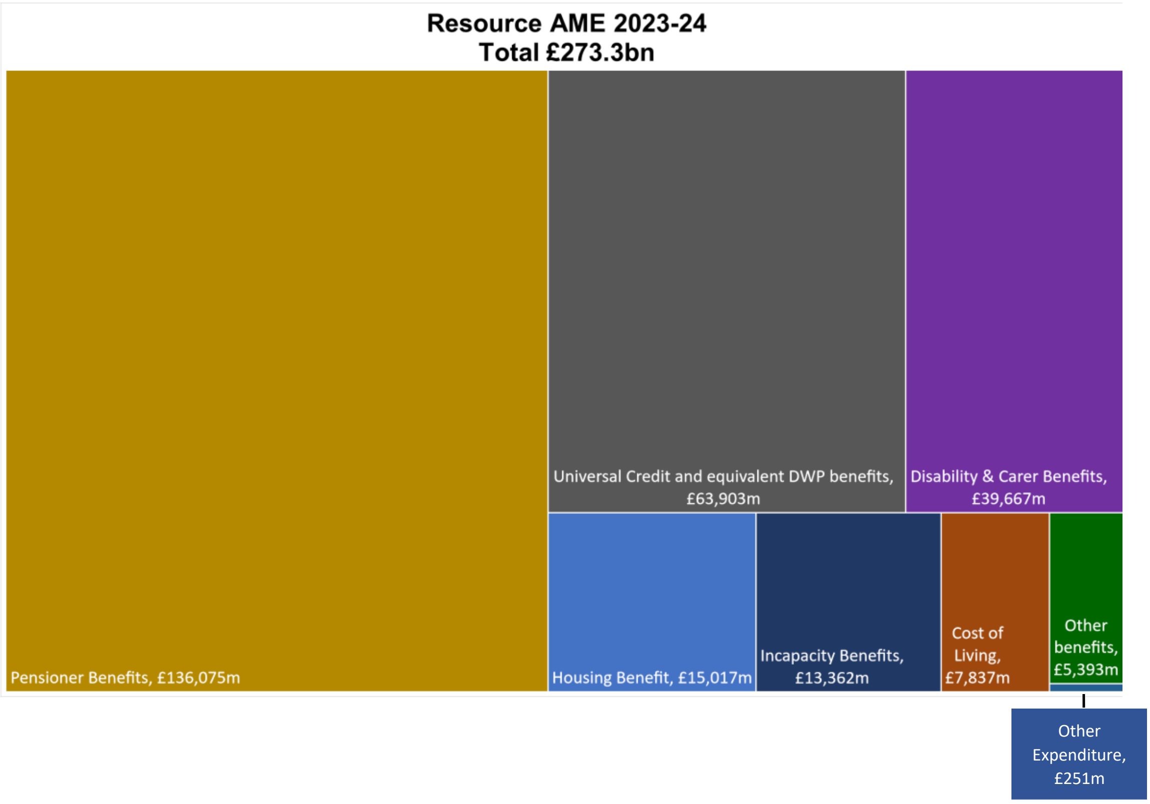
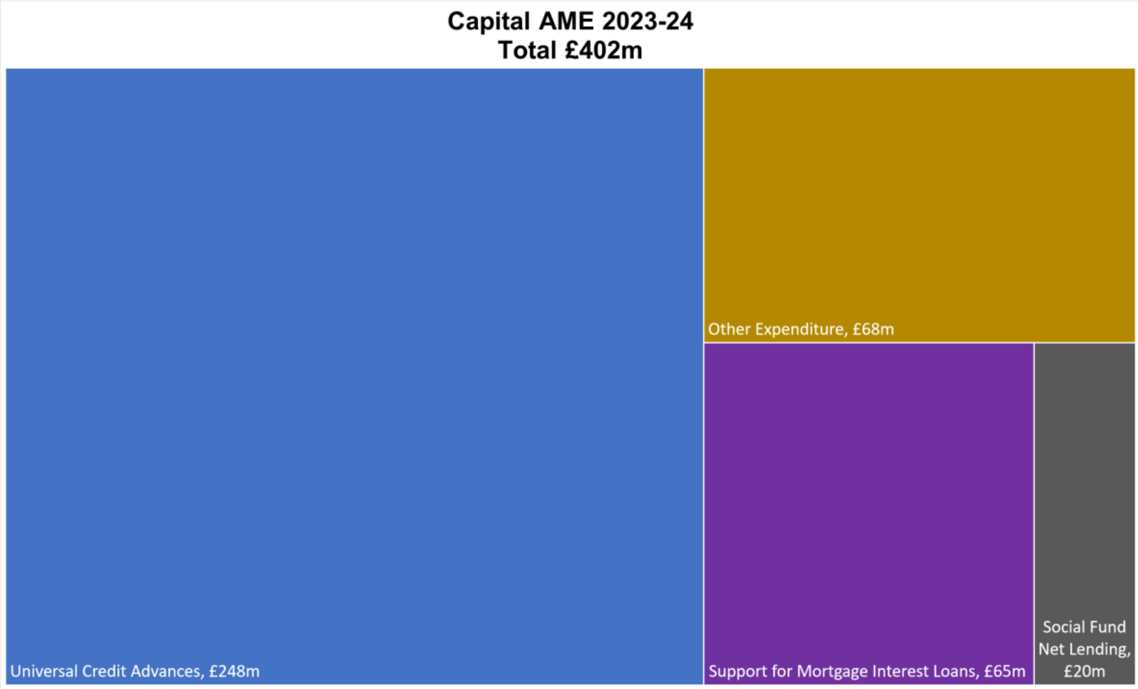


Figure 3: Resource AME 2023-24[2]



[2] Total does not sum due to non-contributory Employment and Support Allowance (ESA) being included in Incapacity Benefits and in Universal Credit and equivalent benefits (see Table 5).

Figure 4: Capital AME 2023-24



1.4 Comparison of spending totals sought

Overall, revised spending plans for 2023-24 remain broadly consistent with the funding agreed at Main Estimate 2023-24. AME forecasts have mainly increased due to the application of margins to manage fluctuations in demand led spend. DEL spend has been updated to formally include the funding agreed at Spring Budget 2023, less some smaller adjustments to reflect the latest position on ringfences and reprofile spend into 2024-25.

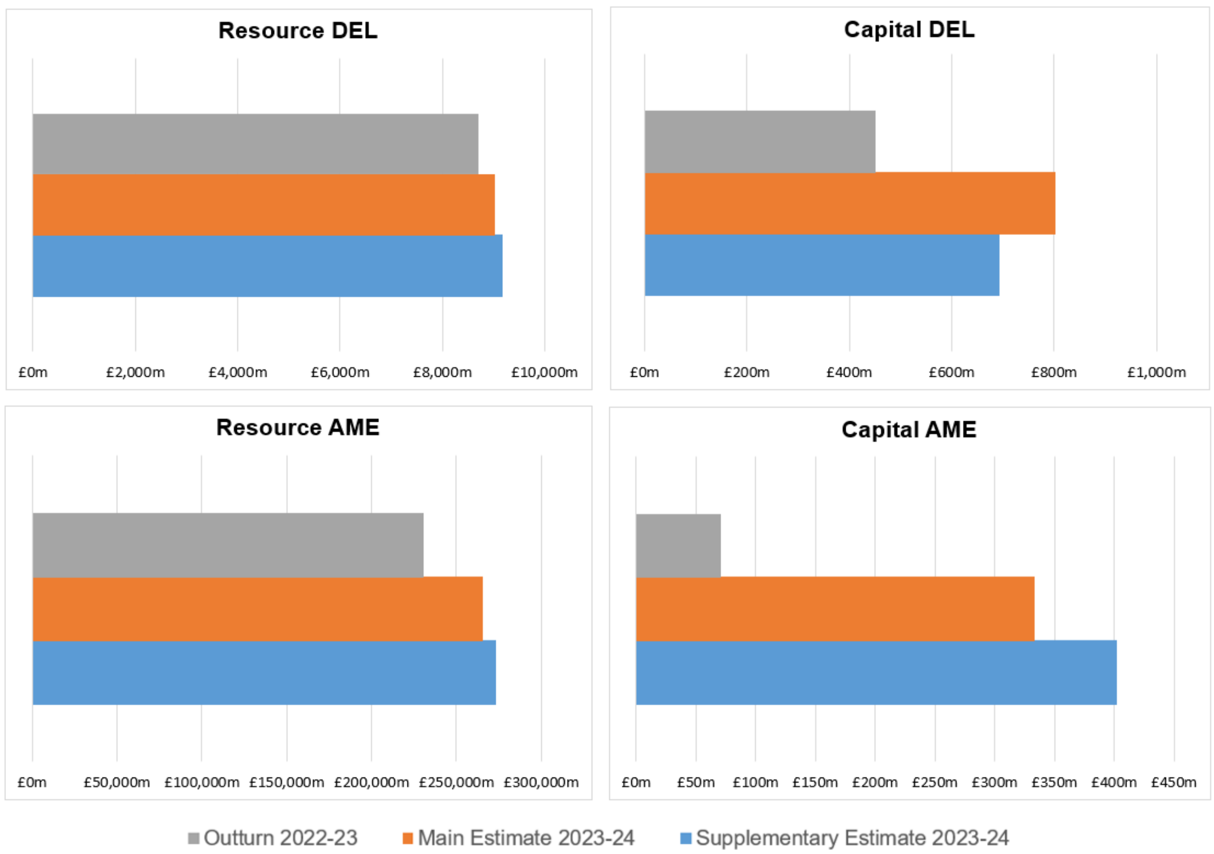
Table 1 shows how the totals sought for DWP in the Supplementary Estimate 2023-24 compare with the Main Estimate 2023-24 and outturn for 2022-23.

Further details of the changes compared to the 2022-23 outturn are provided in section 1.5, with details of year-on-year spending trends in section 1.7 and changes compared to the Main Estimate 2023-24 in section 2.1.

Table 1: Comparison of spending totals[3] [4]

Amounts sought in Supplementary Estimate 2023-24		Changes compared to Main Estimate 2023-24		Changes compared to Outturn 2022-23	
	£m	£m	%	£m	%
Resource DEL	9,162.9	138.8	1.5	466.7	5.4
Capital DEL	691.0	(109.4)	(13.7)	241.4	53.7
Resource AME	273,330.1	7,865.8	3.0	42,859.1	18.6
Capital AME	401.8	68.8	20.7	331.9	474.5

Figure 5: Comparison of spending totals



[3] Figures in brackets in all tables denote a decrease.
[4] Figures may not sum due to rounding.

1.5 Key drivers of spending changes since last year

DWP's final DEL outturn in 2022-23 was £9,146m (£8,696m Resource DEL and £450m Capital DEL). The DEL Supplementary Estimate funding position for 2023-24 is £9,854m (£9,163m Resource DEL and £691m Capital DEL) an increase of £708m.

The main movements compared to the 2022-23 outturn, by funding category, are shown below. Changes compared with the Main Estimate are expanded on in section 2.1.

- **Resource DEL** – The increase of £467m includes some significant movements as DWP is forecast to incur additional expenditure.
    - £137m additional funding for Spring Budget 2023 measures covering activities around Administrative Earnings Thresholds (AET) changes and Cost of Living Payments.
    - £128m increase due to the £1,500 non-consolidated pay award announced in April 2023 for delegated grades (AA to Grade 6).
    - £124m consolidated pay award increase (4.5% - 5.5%) across grades following 2023-24 pay negotiations in line with the Civil Service Pay Remit Guidance.
    - £85m increase in health assessment activity due to higher supplier costs to meet the increased demand in health assessments.
    - National Living Wage was applied for qualifying staff across DWP at cost of £33m.
- **Capital DEL** – The net increase of £241m since the 2022-23 Outturn is mainly driven by:
    - Budget exchanges processed from 2022-23 to 2023-24 for large capital projects in relation to Workplace Transformation (£65m) and reprofiling of expenditure to match lease breaks (£46m). Other non-ringfenced budget exchange transfers were carried out in line with HM Treasury (HMT) guidance to support general capital requirements in 2023-24 (£17m).
    - £53m of additional expenditure in Estates mainly due to an increase in lease renewal activity, management of temporary job centre sites and investment in Critical Security Infrastructure.
    - £15m increase in Digital due to Data Centres being re-assessed under IFRS16 rules.

- **Resource AME** – Total Resource AME outturn for 2022-23 was £230.5bn. The Resource AME Supplementary Estimate funding position for 2023-24 is £273.3bn, which represents an increase of £42.8bn. This increase is mainly driven by:

    - A £14.1bn increase in Universal Credit and equivalent legacy DWP benefits. This is due to the addition of a £2.6bn margin to UC for uncertainty in demand, the impact of inflation on benefit uprating assumptions, an updated unemployment forecast and higher average awards and caseloads. Additionally, higher caseload outturn was driven by claimants on the UC Health Journey, who tend to have the highest value awards.

    - A £17.5bn increase in Pensioner benefits, most of which is due to the uprating of most benefits by 10.1% from April 2023, alongside a £1.2bn margin added for State Pension (contributory) and an increasing caseload due to an aging population. This is further increased by a change to the Financial Assistance Scheme provision compared to 2022-23, caused by an increase in the discounting rate. The impact of this is to create a smaller credit, raising the AME expenditure.

    - A £7.1bn increase in Disability and Carer benefits, the majority of which (£4.4bn) is due to an increase in PIP. This increase consists of £1.8bn increase for uprating of benefits, and £2.4bn of caseload growth, alongside the inclusion of a margin to reflect uncertainty in future demand.

- **Capital AME –** The increase of £331.9m is mainly within voted Capital AME and primarily due to increase in UC Advances. This increase is partly due to a greater volume of advances expected to be paid, particularly Benefit Transfer Advances. Repayments are expected to increase by approximately £190m, with advances paid expected to increase by around £280m. Further to this, UC Advances includes a large margin to reflect uncertainties in the future levels of UC advance payment values, number of claimants and value of recoveries.

- Secondly, Capital AME has increased by around £48.9m, predominately due to the impact of the new Support for Mortgage Interest policy for UC claimants, which went live in April 2023. New rules shorten the qualifying period for a claim from 9 months to 3 months and abolished the zero-earning requirement which is forecast to increase demand. Further to this, an average Support for Mortgage Interest loan value moves in line with an average mortgage rate and so the average value of a Support for Mortgage loan is forecast to increase by 51% in 2023-24 compared to 2022-23.

- Alongside this, there is an increase in dilapidations provisions of £61.2m in the year. This increase was implemented as part of IFRS16 accounting requirements and has taken into account divestment plans for all sites within three years of their lease end date.

- An increase of £83.4m, in non-Voted Capital AME is driven by Budget Loan and Crisis Loan net lending. This is predominately due to a margin included for uncertainty in the forecast for both recoveries and loans paid out.

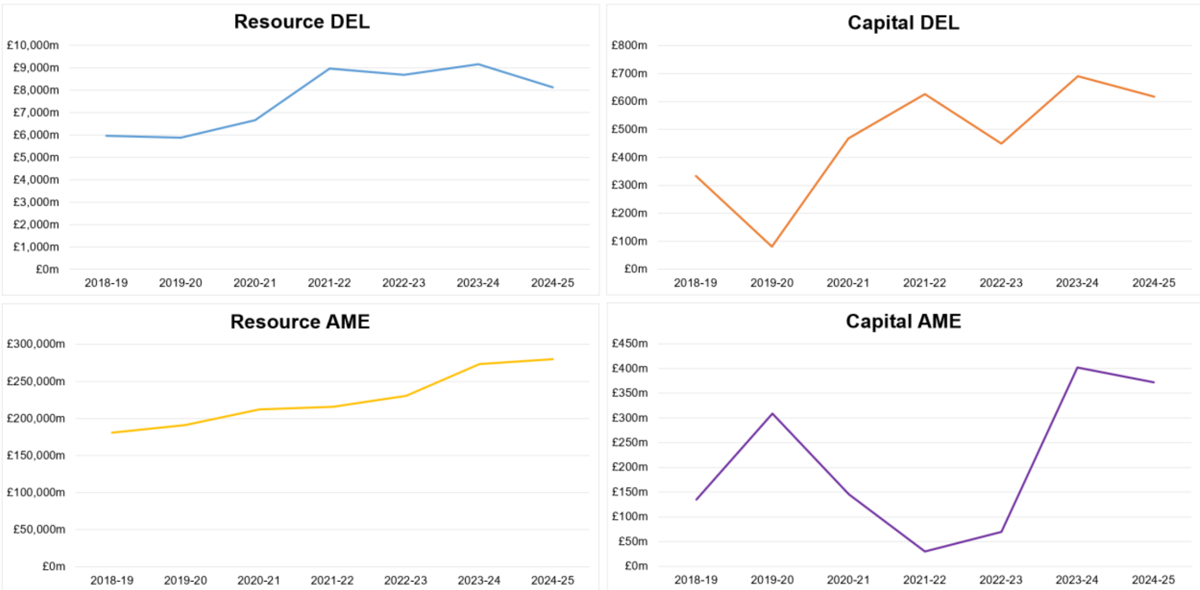
1.6 New policies and programmes; ambit changes

There were no new policies, programmes or ambit changes that impact on the Supplementary Estimate 2023-24.

1.7 Spending trends

The charts below show overall spending trends for the last five years, plans presented in the Supplementary Estimate 2023-24, and current future spending plans for Spending Review 2021 (SR21) to 2024-25. Below the charts are a series of explanations that describe the movements over time.

Figure 6: Spending Trends



- **Resource DEL** – Resource DEL spending trends between 2018-19 and 2019-2020 remain broadly consistent. This is followed by an increase from 2020-21 to 2021-22 that reflects DWP's response to COVID-19, including the impact of 'Plan for Jobs'. During 2022-23, Resource DEL expenditure fell marginally due to changes in delivery timelines for Workplace Transformation, Health Transformation and UC Programmes, as activity moved into 2023-24. This activity resulted in a corresponding increase in Resource DEL expenditure for 2023-24, as well as the impact of pay related increases. Elements of these increases have been offset by reductions in spend as a consequence of the Efficiencies and Savings Review (ESR) and Baseline Efficiencies. 2024-25 reflects a predicted downward trend in

Resource DEL expenditure, mainly due to the Household Support Fund as funding for the scheme is expected to end on 31 March 2024.

- **Capital DEL** – with the exception of Financial Transactions (Funeral Expense Payments and loans to the Office of Nuclear Regulation, National Employment Savings Trust and Fraud Compensation Fund) DWP's Capital DEL expenditure is predominantly non-recurrent investment within digital and estates costs, which increased significantly in prior years to support COVID-19 measures. Initial Capital DEL expenditure was reduced at the start of 2022-23 as DWP scaled back its investment to support COVID-19 activities and postponements in Workplace Transformation saw spend in large programmes moving into future years. Capital DEL expenditure increases from 2022-23 was heavily impacted by the introduction of IFRS16 accounting treatment and changes in the delivery plans for Workplace Transformation. Forecasts for 2024-25 include a downward trend in Capital DEL expenditure due to the effects of the ESR taking hold.

- **Resource AME** – Benefit expenditure has increased since 2018-19 because of up-rating (the annual increase in most benefits), demographics (a growing and ageing population) and, more recently, the rise in inactivity across the population, including the impact of COVID-19 and cost of living pressures. The largest element of the increase across most years relates to State Pension. The basic and new State Pension increase by the highest of earnings growth, inflation or 2.5% in line with the Government's "triple lock", with the exception of 2022-23 where inflation of 3.1% was used. In 2023-24, increases to the UC forecast were the main contributor to the significant rise in Resource AME.

- **Capital AME** – The increase in Capital AME in 2019-20 reflects the rise in UC advances and Support for Mortgage Interest loans since the COVID-19 pandemic. Due to the increased caseload in the initial months of the pandemic, Capital AME fell in the subsequent years as these UC claimants completed their repayments which then outweighed new advances being paid. Following the introduction of IFRS16, a key additional driver of growth has been the incorporation of the accounting for Estates Dilapidation provisions within Capital AME.

1.8 Administration costs and efficiency plans

Table 2: Administration budgets

Amounts sought in Supplementary Estimate 2023-24		Changes compared to Main Estimate 2023-24		Changes compared to Outturn 2022-23	
	£m	£m	%	£m	%
Administration costs	1,046.8	19.4	1.9	172.4	19.7

Within DWP, DEL administration relates to expenditure to maintain departmental infrastructure and provide necessary business services including improvements to digital services for users and customers. Administration as a proportion of DWP's 2023-24 Supplementary Estimate Resource DEL is 11.4%.

Administration spend showed a 19.7% increase compared to the 2022-23 outturn. This is mainly driven by changes in Core Department (Subhead A), relating to the increase in funding for the Synergy Programme (see section 3.3 for further details), increased staff headcount costs and forecast pay award increases including the consolidated, non – consolidated and national living wage increases in 2023-24. Administration costs have also risen due to inflation, however these pressures have been absorbed by general reductions in expenditure.

Through our Baseline Efficiency and ESR activity, DWP is taking actions to reduce spend and achieve more with the same level of funding. DWP is currently reporting that it will achieve its SR21 target efficiency figure for 2023-24 for Baseline Efficiency savings. This includes items such as Service Modernisation, a change programme focussed on improving services and make them more efficient (see section 3.3 for further details).

1.9 Funding: Spending Review and Budgets

The levels of DEL funding for DWP for 2023-24 are based on plans published in SR21. Since that time, the Government has made a number of changes to 2023-24 spending plans including additional funding in the Spring and Autumn Statements and transfers of funding between Government Departments. Details of funding changes are included by funding category in the table at Annex C.

2 Spending detail

This section provides details of the following:

- Changes to DEL and AME funding from the Main Estimate 2023-24 (section 2.1).
- Estimate restructuring, including any Machinery of Government changes (section 2.2).
- Ringfenced funding movements compared to the Main Estimate 2023-24 and outturn 2022-23 (section 2.3).
- Changes to contingent liabilities (section 2.4).

2.1 Explanations of changes in spending

Resource DEL

The table below shows how DWP's spending plans for Resource DEL at the Supplementary Estimate compare with the Main Estimate.

Table 3: Resource Departmental Expenditure Limits (Resource DEL) [5] [6]

Resource DEL					
Subhead	Description	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
		£m	£m	£m	%
	- Core department (including NIF)	*6,791.7*	*6,539.2*	*252.5*	*3.9*
	- Adjustment for NIF administration costs	*(300.7)*	*(234.8)*	*(65.9)*	*28.1*
A	Core Department	6,491.0	6,304.4	186.6	3.0
B	Health and Safety Executive (Net)	180.6	171.9	8.6	5.0
C	Money and Pensions Service (Net)	156.5	160.7	(4.2)	(2.6)
D	Other Executive Arm's Length Bodies (Net)	119.7	125.0	(5.3)	(4.2)
E	Employment Programmes	719.4	771.2	(51.8)	(6.7)
F	Support for Local Authorities	205.8	222.4	(16.6)	(7.5)
G	Funding for Public Corporations	(20.3)	5.8	(26.1)	(448.3)
H	Other Benefits	985.5	1,004.9	(19.4)	(1.9)
I	National Insurance Fund - Core Department	300.7	234.8	65.9	28.1
J	Social Fund	23.9	22.9	1.0	4.4
	Total voted and non-voted	**9,162.9**	**9,024.1**	**138.8**	**1.5**

The major differences are explained below. These are referenced to the relevant Subhead in the table above.

A. Core Department – Overall core spend, prior to any adjustments for non-voted costs associated with the administration of National Insurance Fund (NIF) benefits has increased by £253m. This includes uplifts related to the non-consolidated pay award £128m, consolidated pay award uplift £124m, c.£85m additional expenditure due to increased demand in health assessments, National Living Wage increases of £33m

---

[5] Figures may not sum due to rounding.

[6] The administration of contributory NIF benefits is funded by the NIF and is therefore split out as non-voted funding (Subhead I), however the activity forms part of the core administration of DWP (see Subhead A).

and increased staff headcount costs of £33m. This is offset by a £111m reduction in the Functional Assessment Service forecast due to reprofiling of the programme activities and a £22m reduction in Estates costs mainly due to revised forecasts for dilapidation provisions. The movement in Core Department also includes £66m reduction due to the rebalancing of administrative activity between NIF and DWP benefits.

G. Funding for Public Corporations – The change since Main Estimate is mainly due to increased loan repayments from the National Employment Savings Trust as a result of interest rate rises.

I. National Insurance Fund – The amount of non-voted DEL funding to be received from HMRC in respect of the administration of contributory benefits in 2023-24 is £301m. The change since Main Estimate reflects the increase in forecasted costs attributable to NIF related activities for 2023-24 in accordance with the Service Level Agreement, less adjustments made to forecasts to reflect final agreed costs for prior years.

Capital DEL

The table below shows how spending plans for Capital DEL compare with the 2023-24 Main Estimate.

Table 4: Capital Departmental Expenditure Limits (Capital DEL) [7]

Capital DEL					
Subhead	Description	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
		£m	£m	£m	%
A	Core Department	523.7	649.2	(125.5)	(19.3)
B	Health and Safety Executive (Net)	23.3	25.1	(1.9)	(7.5)
C	Money and Pensions Service (Net)	16.1	9.0	7.1	79.2
D	Other Executive Arm's Length Bodies (Net)	14.5	0.0	14.5	0.0
E	Employment Programmes	0.0	0.0	0.0	0.0
F	Support for Local Authorities	0.0	0.0	0.0	0.0
G	Funding for Public Corporations	63.0	64.0	(1.0)	(1.6)
H	Other Benefits	0.0	0.0	0.0	0.0
I	National Insurance Fund - Core Department	0.0	0.0	0.0	0.0
J	Social Fund	50.4	53.0	(2.6)	(5.0)
	Total voted and non-voted	**691.0**	**800.4**	**(109.4)**	**(13.7)**

The difference in Capital DEL funding since Main Estimate is mainly driven by the £126m decrease in Core Department spend (Subhead A). Significant components of this decrease include the impact of the budget exchange transfers into 2024-25, including £31m from IP Address sales and £11m reprofiling of Workplace Transformation costs. Changes in delivery plans for the Fraud Compensation Fund have resulted in a £77m reduction in the loan requirement, of which £22m has been repurposed to support general capital requirements. Capital DEL has also reduced following the alignment of accounting treatment for dilapidation provisions to delivery plans, resulting in a £20m movement from Capital DEL to Capital AME.

[7] Figures may not sum due to rounding.

Resource AME

In DWP, AME is primarily demand-led expenditure on social security and social assistance benefits. These cover a range of life events such as being out of work, retirement, disability, maternity and bereavement.

About half of DWP's Resource AME is spent on contributory benefits, mainly State Pension, where entitlement is based on National Insurance contributions. About a third of DWP's Resource AME is on income-related benefits, where entitlement depends on a recipient's other income and capital. Examples include UC and Pension Credit.

The remainder of the Resource AME benefit expenditure is on disability benefits including Disability Living Allowance (DLA), PIP and Attendance Allowance (AA).

In addition to benefit expenditure, Resource AME also includes non-cash expenditure relating to the accounting treatment of impairments and provisions. Table 5 shows how the Supplementary Estimate for Resource AME compares with the Main Estimate.

Table 5: Resource AME

Subheads	Description	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
		£m	£m	£m	%
K, AF, N, AH	Incapacity benefits	13,361.5	13,259.2	102.4	0.8
R, S, T, U	Disability & carer benefits	39,667.3	39,151.9	515.3	1.3
M, N, O, Y	Universal Credit and equivalent DWP benefits	63,902.7	59,823.9	4,078.9	6.8
P, Q, AE, AK, Z, AM	Pensioner Benefits	136,075.4	134,783.2	1,292.2	1.0
V	Housing Benefit	15,016.8	14,297.3	719.5	5.0
L, W, X, AG, AI, AJ, AL, AA	Other benefits	5,393.1	4,663.0	730.1	15.7
AC, AD	Other expenditure	250.5	(3.9)	254.4	(6,472.4)
AB	Cost of Living Payments	7,836.8	7,734.1	102.7	1.3
N	Less items double-counted above (ESA non-contributory)	(8,174.0)	(8,244.3)	70.2	(0.9)
	Total voted and non-voted	**273,330.1**	**265,464.3**	**7,865.8**	**3.0**

Key drivers of spending changes since Main Estimate

Funding for Resource AME expenditure has increased by £7,865.8m (3.0%) to £273,330.1m from Main Estimate to Supplementary Estimate.

The forecasts used for Supplementary Estimate are aligned to the Office for Budget Responsibility (OBR) Autumn Statement 2023 forecast. These forecasts are a central estimate and take into account the economic assumptions provided to DWP by OBR as well as the latest administrative data in relation to volume of claims and average awards.

However, as benefit expenditure is demand-led, we add a margin at the Supplementary Estimate to mitigate the risk of actual expenditure being greater than forecast.

Main changes in Resource AME funding

Incapacity benefits[8]

Table 6: Incapacity benefits [9]

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Severe Disablement Allowance	57.4	57.2	0.2	0.3
Incapacity Benefit	0.6	2.5	(1.8)	(74.3)
Employment and Support Allowance (non-contributory)	8,174.0	8,244.3	(70.2)	(0.9)
Employment and Support Allowance (contributory)	5,129.5	4,955.2	174.3	3.5
Incapacity benefits	**13,361.5**	**13,259.2**	**102.4**	**0.8**

Table 6 shows the breakdown of the changes in spending on incapacity benefits.

Overall, funding for incapacity benefits has increased by £102.4m since Main Estimates to £13,361.5m (0.8%), even though the baseline forecast for both elements of Employment Support Allowance (ESA) has decreased, by £23.1m for ESA contributory and £336.3m for ESA non-contributory. This is driven mainly by the margins being applied to contributory (4.0%) and non-contributory ESA (2.0%), allowing for variability in the rate of ESA cases migrating to UC.

Disability and carer benefits

Table 7: Disability and carer benefits[10] [11]

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Attendance Allowance	6,881.5	6,685.8	195.8	2.9
Personal Independence Payment	22,036.4	21,854.7	181.7	0.8
Disability Living Allowance	6,891.5	6,732.2	159.3	2.4
Carer's Allowance	3,857.8	3,879.3	(21.4)	(0.6)
Disability and carer benefits	**39,667.3**	**39,151.9**	**515.3**	**1.3**

Funding for disability and carer benefits has increased by £515.3m (1.3%) from Main Estimate to Supplementary Estimate (Table 7).

The main driver behind the increase is the addition of £695.4m in margins.

A margin of £218.6m (1.0%) has been included for PIP to cover against the possibility that outturn significantly exceeds forecast in the latter part of 2023-24.

[8] Excluding UC spending estimated to be Employment and Support Allowance equivalent.
[9] Totals may not sum due to rounding.
[10] Totals may not sum due to rounding.
[11] Figures disclosed for PIP include Armed Forces Independence Payments.

A margin of £200.7m has been applied to DLA as child inflows have been above forecast so far in 2023-24, therefore this mitigates against the risk of further increases.

AA includes a 3.0% margin of £200.4m, which reflects uncertainty around a potentially higher volume of new awards due to the cost of living.

Carer's Allowance (CA) includes a 2.0% margin of £75.6m, due to uncertainty around increased claims of PIP, DLA and AA (see above) which are the qualifying benefits for CA.

Universal Credit and equivalent DWP benefits[12]

Table 8: Universal Credit and equivalent DWP benefits[13]

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Universal Credit	54,923.3	50,819.2	4,104.1	8.1
Employment and Support Allowance (non-contributory)	8,174.0	8,244.3	(70.2)	(0.9)
Income Support	656.5	618.2	38.3	6.2
Jobseeker's Allowance (non-contributory)	148.9	142.3	6.7	4.7
Universal Credit and equivalent DWP benefits	**63,902.7**	**59,823.9**	**4,078.9**	**6.8**

Funding for Universal Credit and equivalent benefits has increased by £4,078.9m (6.8%) when compared to Main Estimate (Table 8).

There are four reasons for the movement since Main Estimate:

Firstly, Autumn Statement 2023, all forecasts have been updated to reflect the latest modelling assumptions and data. Compared to Spring Budget 2023, forecasts for 2023-24 have increased due to changes in OBR economic assumptions. This resulted in an increase in the baseline forecast as updated economic assumptions, the impact of a higher outturn for expenditure and caseloads in new administrative data and revised assumptions around the AME impacts of fraud and error are now included in our forecasts.

Secondly, we have included a margin of £2.6bn (5.0%) for UC to mitigate against the uncertainty around increased levels of claims on the Health Journey caseload[14] and changes to the AET. There is also uncertainty around the impact that changes in the labour market, like unemployment and inactivity, may have on UC demand.

---

[12] Excluding Housing Benefit for people of working age.

[13] Totals may not sum due to rounding.

[14] The Health Journey is defined as those households where at least one person has been found to have either: i) Limited Capability for Work; ii) Limited Capability for Work and Work Related Activity; or iii) Be awaiting a Work Capability Assessment.

Thirdly, a 2.0% (£158.1m) margin has been included for non-contributory ESA, as mentioned earlier in the incapacity benefits section. This is due to the uncertainty surrounding the migration of ESA cases to UC.

Finally, a 3.0% margin of £19.1m has been applied to Income Support due to uncertainty caused by caseload migration to UC. As the benefit expenditure gets smaller due to lower caseloads, higher volatility of expenditure becomes more likely.

Pensioner benefits[15,16,17]

Table 9: Pensioner benefits [18] [19]

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Pension Credit	5,643.1	5,437.2	205.9	3.8
Financial Assistance Scheme	(366.5)	238.8	(605.3)	(253.5)
Winter Fuel Payments (including Pensioner Cost of Living Payments)	4,703.0	4,624.0	79.0	1.7
Christmas Bonus (contributory)	130.1	128.3	1.8	1.4
State Pension	125,965.7	124,354.8	1,610.9	1.3
Pensioner benefits	**136,075.4**	**134,783.2**	**1,292.2**	**1.0**

Funding for pensioner benefits increased by £1,292.2m (1.0%) since Main Estimate. (Table 9).

The increase in Pension Credit is largely driven by the inclusion of a margin of £164.3m (3.0%). The margin is included to account for continued uncertainty due to on-going cost of living impacts, media communications to increase uptake and any impact of changes in mortality.

The aggregate increase in State Pension of £1,610.9m is mainly driven by the inclusion of a margin of £1,250.7m. This is to reflect the uncertainty of potential for changes in the impacts of the State Pension Underpayment correction exercises and any variance between modelled and observed mortality. The remaining difference arises from forecasting changes, including the impacts of outturn for 2022-23 on future years, mortality changes, lump sums and correction exercises.

Winter Fuel Payments have increased relative to Main Estimate due to the inclusion of a margin of £92.2m (2.0%). The margin reflects inherent forecasting related uncertainties mainly relating to mortality and any impact on future mortality rates.

[15] Excluding Housing Benefit for people over pension age.
[16] Includes Financial Assistance Scheme benefit payments and movement in provision.
[17] Does not include other benefits paid to both pensioners and non-pensioners, such as bereavement benefits.
[18] Totals may not sum due to rounding.
[19] State Pension includes both contributory and non-contributory benefits.

Changes at Autumn Statement 2023 reduced the forecast to reflect lower outturn in 2022-23, including a reduction in caseload.

The increase for Christmas Bonus (contributory) is due to the application of a 3.0% margin which was added to reflect the uncertainty in the qualifying benefit forecasts (mainly State Pension and ESA) and the fact that, as it is a one-off payment made in December, no in-year expenditure data was available at the time of forecast.

The Financial Assistance Scheme provision is calculated using a long-term cash forecast model in which cashflows are discounted using HMT discount rates to determine the present value. HMT's general provisions discount rates are updated each December. In 2023, these rates increased by at least 1% which has resulted in a decrease for the Financial Assistance Scheme provision of £605.3m since Main Estimate as future cashflows are discounted by a greater factor to arrive at an equivalent in today's prices.

Housing Benefit

Table 10: Housing Benefit

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Housing Benefit	**15,016.8**	**14,297.3**	**719.5**	**5.0**

Funding for Housing Benefit has increased by £719.5m from Main Estimate to Supplementary Estimate.

The increase is driven by new administrative data in relation to caseloads and awards for 2022-23, increasing the forecast for 2023-24 (£425.1m) and the addition of a margin (£294.4m).

Housing Benefit is administered by Local Authorities and the financial outturn will be confirmed once all claims have been submitted. The final subsidy claims from councils may be higher than indicated by administrative data. In recent years, some Local Authorities returned their financial data later than in the past, leading to delays in the obtaining the Housing Benefit outturn figure.

Spend inside the Welfare Cap is also sensitive to economic changes and to the pace and composition of the build-up of UC. To account for these factors a margin of 2.0% was applied.

Other benefits

Table 11: Other benefits [20]

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Industrial Injuries Benefits Scheme	760.2	737.1	23.2	3.1
Statutory Maternity Pay	3,096.5	2,843.2	253.3	8.9
Christmas Bonus (non-contributory)	45.0	40.6	4.4	10.8
Social Fund: Other	516.4	80.4	436.0	542.3
Maternity Allowance	423.5	435.4	(11.9)	(2.7)
Bereavement Benefits	391.6	432.9	(41.3)	(9.5)
Jobseeker's Allowance (contributory)	165.3	100.1	65.2	65.1
Support for Mortgage Interest loans	(5.5)	(6.9)	1.4	(19.7)
Other benefits	**5,393.1**	**4,663.0**	**730.1**	**15.7**

Funding for other benefits has increased by £730.1m (15.7%). There are five main drivers for this change, the largest is funding for Cold Weather Payments (CWPs), included within the Social Fund: Other Estimate row, which increased by £431.1m.

CWPs are inherently difficult to estimate. At Main Estimate the forecast is based on historic 10-year average CWPs. At Supplementary Estimate, consistent with previous years, CWP funding is set at a level to address the risk of higher payments arising from extreme weather conditions across the country during the winter which could trigger CWP eligibility in several areas.

In addition to the £431.1m margin included for CWP, there are some smaller margins causing an increase in other benefits.

Margins of 1.0% and 2.0% have been added to Industrial Injuries Benefits Scheme components due to the uncertainty about whether volumes will increase to pre-pandemic levels and the potential for a larger number of health assessments impacting inflows.

A margin of £30.7m (1.0%) has been added to Statutory Maternity Pay due to uncertainty resulting from lagged outturn data, complexities of the Government Actuary's Department reporting, and dependency on employer data. The baseline forecast for Statutory Maternity Pay has increased from Main Estimate, due to the addition of L2 (lifetime labour market database) data which led to higher estimated caseload outturn and expenditure.

For Christmas Bonus (non-contributory) a 3.0% margin has been applied to reflect the uncertainty in the qualifying benefit forecasts (mainly disability benefits) and the fact that, as it is a one-off payment in December, no in-year expenditure data was available at time of forecast.

[20] Totals may not sum due to rounding.

Jobseeker's Allowance (contributory) has a 15% margin applied and an increased forecast since Main Estimate to reflect that recent expenditure is exceeding forecast, given current caseloads. This increases the initial estimate and a larger margin is applied to account for the uncertainty.

Other Expenditure

Other Expenditure within Resource AME has increased by £254.5m since the Main Estimate. This increase is driven mainly by the inclusion of a provision expense relating to expected future costs of Industrial Injuries Benefits permanent allowance payments to DWP employees who are injured at work and cannot perform their job as a result.

Cost of Living Payments

Table 12: Cost of Living Payments (Pensioner Cost of Living Payments excluded)

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Cost of Living Payments	**7,836.8**	**7,734.1**	**102.7**	**1.3**

Cost of Living Payments have increased by £102.7m (1.3%).

The sole driver for this increase was the addition of a £102.7m margin at Supplementary Estimate to reflect volatility in the Cost of Living Payments.

These payments are made to households in receipt of means-tested benefits and individuals in receipt of disability benefits, as part of the Government's measures to support the most vulnerable with the rising cost of living. The Pensioner Cost of Living Payment was delivered alongside existing Winter Fuel Payments, so is not captured here (see Table 9).

Cost of Living Payments made by HMRC to legacy Tax Credit customers are also not included here.

Capital AME

Table 13: Capital AME[21]

	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change compared to Main Estimate 2023-24	
	£m	£m	£m	%
Universal Credit Advances	248.3	216.8	31.5	14.5
Support for Mortgage Interest loans	65.1	81.3	(16.1)	(19.9)
Social Fund Net Lending	20.0	0.0	20.0	0.0
Other Expenditure	68.4	35.0	33.4	95.5
Capital AME	**401.8**	**333.0**	**68.8**	**20.7**

Capital AME has increased by £68.8m from Main Estimate to Supplementary Estimate. Table 13 shows a breakdown of the movements in Capital AME.

The main reasons for the increase are a £33.4m increase in 'Other Expenditure' for dilapidations provisions, made under IFRS16, for dilapidations on leases that will be exited within the next 24 months and a £31.5m increase in UC Advances, the forecast for which includes a 55% margin for volatility in the net charge of payments less recoveries.

2.2 Restructuring

There were no Machinery of Government Changes.

2.3 Ringfenced budgets

Elements of DWP's DEL funding are ringfenced. Funding that is ringfenced cannot be used to fund spending outside the ringfence although the ringfenced funding is part of the overall DEL control totals.

To the extent DWP no longer plans to apply DEL ringfenced funding in the current financial year, the Department has returned funding to HMT in the Supplementary Estimate.

In addition to the funding surrendered to HMT, the following changes were agreed at Supplementary Estimate 2023-24:

- Ringfences for Universal Support (£38.7m) and Increased AET from 15 to 18 hours (£20.4m) were relaxed in 2023-24.
- £40m of the Fraud Compensation Fund Capital DEL ringfence was relaxed in 2023-24 and £37m surrendered to HMT.

[21] Totals may not sum due to rounding.

- £17.6m of funding for the Synergy programme (Resource DEL) and £11.4m for Large Capital Projects (Capital DEL) were reprofiled into 2024-25 to reflect revised delivery plans.
- Additional funding (£2.2m Resource DEL, £0.1m Capital DEL) was provided for the Labour Market Evaluation and Pilots Funds.

Table 14: Ringfenced Funding[22] [23]

Ringfenced budgets Amount sought this year (Supplementary Estimate 2023-24)		Difference (+/-) compared to original budget this year (Main Estimate 2023-24)		Difference (+/-) compared to final outturn last year (Outturn 2022-23)	
	£m	£m	%	£m	%
Resource DEL					
Depreciation	611.5	(0.1)	(0.0)	486.8	390.4
Discretionary Housing Payments	100.0	0.0	0.0	2.7	2.8
Money & Pensions Service	129.4	0.0	0.0	4.6	3.7
Money & Pensions Service: Debt Advice	15.0	0.0	0.0	0.0	0.0
Official Development Assistance	6.0	0.0	0.0	0.0	0.0
Synergy	47.5	(17.6)	(27.0)	36.2	320.4
Household Support Fund	842.0	0.0	0.0	1.1	0.1
Universal Support	0.0	(38.7)	(100.0)	0.0	0.0
Increase AET from 15 to 18 hours	0.0	(20.4)	(100.0)	0.0	0.0
Labour Markets Evaluation and Pilots Fund: Jobs Plus	1.3	1.3	0.0	1.3	0.0
Labour Markets Evaluation and Pilots Fund: Rent Support	0.9	0.9	0.0	0.9	0.0
Total Resource DEL	**1,753.6**	**(74.6)**	**(4.1)**	**533.6**	**43.7**
Capital DEL					
Financial Transactions:					
- NEST Loan	63.0	0.0	0.0	(75.0)	(54.3)
- Fraud Compensation Fund	0.0	(77.0)	(100.0)	0.0	0.0
- ONR Loan	0.0	(1.0)	(100.0)	(1.5)	(100.0)
- Funeral Expense Payments	50.4	(2.6)	(5.0)	4.7	10.2
Reprofiling of lease events (IFRS16)	46.0	0.0	0.0	46.0	0.0
Large Capital Projects - Workplace Transformation	53.6	(11.4)	(17.5)	53.6	0.0
Research & Development	5.0	0.0	0.0	1.8	56.3
Money & Pensions Service	9.0	0.0	0.0	(3.0)	(25.0)
Labour Markets Evaluation and Pilots Fund: Jobs Plus	0.1	0.1	0.0	0.1	0.0
Total Capital DEL	**227.1**	**(91.9)**	**(28.8)**	**26.7**	**13.3**
Total DEL Ringfence	**1,980.7**	**(166.5)**	**(7.8)**	**560.3**	**39.4**

2.4 Changes to contingent liabilities

A contingent liability has been added to the Supplementary Estimate 2023-24 for leasehold property dilapidations. This could not be appropriately quantified in order to qualify as a contingent liability at the time of the Main Estimate 2023-24 and was first

[22] Amounts/percentages may not sum due to rounding.
[23] Fraud Compensation Fund: £77.0m variance reflects the restated ringfence at Main Estimate 2023-24 as agreed with HMT.

recognised in the Annual Report and Accounts 2022-23, which is produced after the Main Estimate.

A contingent liability has been removed relating to the disputed IT costs associated with the Scottish Devolution Programme. This is no longer required as DWP has reached an agreement with the Scottish Government to settle the liability.

3 Priorities and performance

3.1 How spending relates to objectives

The table below shows how expenditure against each Subhead contributes to DWP's Strategic Outcomes and Delivery Objective:

Table 15: Linking Subhead Sections to Departmental Priorities

		Maximise employment, reduce economic inactivity, and support the progression of those in work	Deliver financial support to people who are entitled to it	Enable disabled people and people with health conditions to start, stay and succeed in work, and get financial support	Support financial resilience in later life	Deliver high quality services, tackle fraud and maximise value for money for the taxpayer
A	Core Department	✓	✓	✓	✓	✓
B	Health and Safety Executive (Net)					✓
C	Money and Pensions Service (Net)		✓		✓	✓
D	Other Executive Arm's Length Bodies (Net)				✓	✓
E	Employment Programmes	✓		✓		✓
F	Support for Local Authorities		✓			✓
G	Funding for Public Corporations				✓	✓
H	Other Benefits		✓	✓	✓	✓
I	National Insurance Fund – Core Department	✓	✓	✓	✓	✓
J	Social Fund		✓			✓

3.2 Measures of performance against each priority

DWP has set out the following measures of performance for each core objective for 2023-24.

1. Maximise employment, reduce economic inactivity, and support the progression of those in work
    - Employment rate of 16-64 year olds
    - Employment rate of 16-24 year olds
    - Employment rate of 50-64 year olds
    - Unemployment rate of 16-64 year olds
    - Unemployment rate of 50-64 year olds
    - Employment rate gap between 35-49 and 50-64 year olds
    - Economic inactivity rate 16-64 year olds
    - Number of children in workless households
    - Starts on Restart
    - Outcomes from Restart
    - Starts on Sector-based Work Academy Programmes

2. Deliver financial support to people who are entitled to it
    - Absolute low income rate, after housing costs, for working age adults
    - Absolute low income rate, after housing costs, for children

3. Enable disabled people and people with health conditions to start, stay, and succeed in work, and get financial support
    - Disability Employment Rate Gap
    - Absolute low income rate, after housing costs, for individuals in families where someone is disabled

4. Support financial resilience in later life
    - Percentage of pensioners in absolute low income after housing costs
    - Number of people automatically enrolled in workplace pensions
    - Proportion of automatic enrolment eligible employees participating in a workplace pension

1. Deliver high-quality services, tackle fraud, and maximise value for money for the taxpayer
    - Percentage of claimants satisfied with DWP services overall
    - Percentage of claims processed within planned timescales
    - Percentage of UC claims processed within planned timescales
    - Gross monetary value of fraud and error by rate/value

3.3 Major projects

Throughout 2023-24 DWP had the following projects on the Government Major Projects Portfolio (GMPP).

- **Universal Credit:** UC replaces six benefits and tax credits for working age people, bringing together in and out of work systems into one to make work pay. When fully rolled out it is expected that up to 7 million households will benefit from UC.

- **Health Transformation Programme:** The Health Transformation Programme will transform the health and disability services we provide for people with disabilities and health conditions; looking at opportunities to re-shape assessment services and realise tangible improvements.

- **Pensions Dashboard Programme:** Established by the Money and Pensions Service, an arms-length body of DWP, the programme's vision is: "To enable individuals to access their pensions information online, securely and all in one place, thereby supporting better planning for retirement and growing financial wellbeing." The programme is estimated to run from 2019-2025 and is working closely with the pensions industry to deliver a dashboards service in the UK.

- **The Building Safety Regulator** - The Building Safety Regulator, HSE, will lead the regulatory regime to protect people and places in all forms of buildings, across England. The Building Safety Regulator will have three key functions:
    A. Leading the implementation of the new, more stringent regulatory regime for higher risk residential buildings in scope;
    B. Promoting competence among industry professionals and regulators who have key roles in delivering safe, high-performing buildings; and
    C. Oversight of the building safety and performance system.

- **Synergy** – DWP, the Department for Environment, Food & Rural Affairs, Home Office and Ministry of Justice are collaborating together in a cluster to achieve the Government's Shared Services Strategy by transforming shared services to make them smarter, swifter and more streamlined. Synergy is a business transformation programme to replace the current services provided by Shared Services Connected Limited. It focuses on simplifying and aligning processes, data systems and services, to transform our users' experiences and drive interoperability between departments, resulting in increased productivity and value for money, provided through a single Software as a Service (SaaS) Enterprise Resource Planning platform and business process service. The four departments have committed to working as a single cluster with departments responsible for their departmental transformations.

- **Workplace Transformation** - Workplace Transformation (WT) is a 10-year programme to support the change to DWP's operating model, consolidate the estate to the right size and shape and provide more flexible, efficient and better quality sustainable buildings in alignment with the Government's greening commitments, Places for Growth, levelling up the economy and Building Back Better. It will deliver far more than estates modernisation, fundamentally reshaping our support to customers, how we work, where we work and when we work, helping to make DWP a great place to work. WT requires significant capital investment but will deliver huge financial and social benefits by consolidating and improving our workplace with a direct positive impact on customer experience and outcomes.

- **Service Modernisation** - Service Modernisation is a cross-cutting change programme that supports DWP's policy and delivery aims by modernising key services, investing in our colleagues and continuous transformation, and – through that - delivers better, cost effective services that our customers can rely on. The programme will transform 11 service lines, impacting over 20,000 colleagues and deliver cultural and digital transformation to create modern services for the future.

Funding for implementation of these projects, except for the Building Safety Regulator, is provided under Subhead A - Core Department. Funding for the Building Safety Regulator is provided under Subhead B - Health & Safety Executive (Net).

The Infrastructure and Projects Authority (IPA) reports on the delivery of major projects annually. Its latest report on DWP's projects can be found here on gov.uk. Please note the latest data published by IPA reflects data to March 2023.

4 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 Estimate's Memorandum has been approved by myself as Departmental Accounting Officer.

Peter Schofield

Accounting Officer

Permanent Secretary

Department for Work and Pensions

09 February 2024

Annex A: Departmental Expenditure Limits[24]

		Resource DEL				Capital DEL			
Subhead	Description	Supplementary Estimate 2023-24	Main Estimate 2023-24	Change from Main Estimate 2023-24		Supplementary Estimate 2023-24	Main Estimate 2023-24	Change from Main Estimate 2023-24	
		£m	£m	£m	%	£m	£m	£m	%
A	Core Department	6,491.0	6,304.4	186.6	3.0	523.7	649.2	(125.5)	(19.3)
B	Health and Safety Executive (Net)	180.6	171.9	8.6	5.0	23.3	25.1	(1.9)	(7.5)
C	Money and Pensions Service (Net)	156.5	160.7	(4.2)	(2.6)	16.1	9.0	7.1	79.2
D	Other Executive Arm's Length Bodies (Net)	119.7	125.0	(5.3)	(4.2)	14.5	0.0	14.5	0.0
E	Employment Programmes	719.4	771.2	(51.8)	(6.7)	0.0	0.0	0.0	0.0
F	Support for Local Authorities	205.8	222.4	(16.6)	(7.5)	0.0	0.0	0.0	0.0
G	Funding for Public Corporations	(20.3)	5.8	(26.1)	(448.3)	63.0	64.0	(1.0)	(1.6)
H	Other Benefits	985.5	1,004.9	(19.4)	(1.9)	0.0	0.0	0.0	0.0
I	National Insurance Fund - Core Department	300.7	234.8	65.9	28.1	0.0	0.0	0.0	0.0
J	Social Fund	23.9	22.9	1.0	4.4	50.4	53.0	(2.6)	(5.0)
	Total	**9,162.9**	**9,024.1**	**138.8**	**1.5**	**691.0**	**800.4**	**(109.4)**	**(13.7)**

[24] Totals may not sum due to rounding.

Annex B: Annually Managed Expenditure[25]

Subhead	Description		2023-24 Supplementary Estimate budget sought	2023-24 Main Estimate budget approved	Change from 2023-24 Main Estimate	
Resource			£m	£m	£m	%
K, AF, N, AH	**Incapacity benefits**	Severe Disablement Allowance	57.4	57.2	0.2	0.3
		Incapacity Benefit	0.6	2.5	(1.8)	(74.3)
		Employment and Support Allowance (non-contributory)	8,174.0	8,244.3	(70.2)	(0.9)
		Employment and Support Allowance (contributory)	5,129.5	4,955.2	174.3	3.5
			13,361.5	**13,259.2**	**102.4**	**0.8**
R, S, T, U	**Disability and carer benefits**	Attendance Allowance	6,881.5	6,685.8	195.8	2.9
		Personal Independence Payment	22,036.4	21,854.7	181.7	0.8
		Disability Living Allowance	6,891.5	6,732.2	159.3	2.4
		Carer's Allowance	3,857.8	3,879.3	(21.4)	(0.6)
			39,667.3	**39,151.9**	**515.3**	**1.3**
M, N, O, Y	**Universal Credit and equivalent DWP benefits**	Universal Credit	54,923.3	50,819.2	4,104.1	8.1
		Employment and Support Allowance (non-contributory)	8,174.0	8,244.3	(70.2)	(0.9)
		Income Support	656.5	618.2	38.3	6.2
		Jobseeker's Allowance (non-contributory)	148.9	142.3	6.7	4.7
			63,902.7	**59,823.9**	**4,078.9**	**6.8**
P, Q, AE, AK, AM, Z	**Pensioner benefits**	Pension Credit	5,643.1	5,437.2	205.9	3.8
		Financial Assistance scheme	(366.5)	238.8	(605.3)	(253.5)
		Winter Fuel Payments (including Pensioner Cost of Living Payments)	4,703.0	4,624.0	79.0	1.7
		Christmas Bonus (contributory)	130.1	128.3	1.8	1.4
		State Pension (contributory)	125,690.5	124,114.4	1,576.2	1.3
		State Pension (non-contributory)	275.2	240.4	34.7	14.4
			136,075.4	**134,783.2**	**1,292.2**	**1.0**
V	**Housing Benefit**	Housing Benefit (All)	15,016.8	14,297.3	719.5	5.0
L, W, X, AG, AI, AJ, AL, AA	**Other benefits**	Industrial Injuries Benefits Scheme	760.2	737.1	23.2	3.1
		Statutory Maternity Pay	3,096.5	2,843.2	253.3	8.9
		Christmas Bonus (non contributory)	45.0	40.6	4.4	10.8
		Social Fund: Other	516.4	80.4	436.0	542.3
		Maternity Allowance	423.5	435.4	(11.9)	(2.7)
		Bereavement Benefits	391.6	432.9	(41.3)	(9.5)
		Jobseeker's Allowance (contributory)	165.3	100.1	65.2	65.1
		Support for Mortgage Interest loans	(5.5)	(6.9)	1.4	(19.7)
			5,393.1	**4,663.0**	**730.1**	**15.7**
AB	**Cost of Living Support Payments**	Cost of Living Payments	7,836.8	7,734.1	102.7	1.3
AC, AD	**Other expenditure**	Other Expenditure	250.5	(3.9)	254.4	(6,472.4)
N	less items double counted above	Employment and Support Allowance (non-contributory)	(8,174.0)	(8,244.3)	70.2	(0.9)
	Total RAME		**273,330.1**	**265,464.3**	**7,865.8**	**3.0**
Capital						
M, AA, AG, AC	**AME Capital**	Universal Credit Advances	248.3	216.8	31.5	14.5
		Support for Mortgage Interest loans	65.1	81.3	(16.1)	(19.9)
		Social Fund Net Lending	20.0	0.0	20.0	0.0
		Other Expenditure	68.4	35.0	33.4	95.5
	Total CAME		**401.8**	**333.0**	**68.8**	**20.7**

[25] Totals do not sum due to rounding and because non-contributory Employment and Support Allowance is included in both Incapacity benefits and in Universal Credit and equivalent benefits.

Annex C: Summary of Changes to DEL Funding since Spending Round 2021

Description	Administration £m	Programme £m	Total Resource £m	Capital £m
Spending Round 2021 funding for 2023-24	956.5	6,392.0	7,348.6	457.0
Funding agreed at Fiscal Events for 2023-24	9.2	1,385.7	1,394.9	107.1
Other funding changes agreed at Main Estimates 2023-24	61.7	219.0	280.7	236.3
Funding at Main Estimate 2023-24	**1,027.4**	**7,996.7**	**9,024.1**	**800.4**
Funding adjustments included in Supplementary Estimate 2023-24:				
Reserve claims:				
Additional funding for Spring Budget 2023 measures	0.0	137.1	137.1	0.0
Labour Markets Evaluation and Pilots Funds	0.3	1.9	2.2	0.1
Funding switches:				
Funding reclassification: SB23 Overheads DELA costs (DELP to DELA)	22.0	(22.0)	0.0	0.0
CDEL to RDEL switch: Non-Consolidated Payment	15.1	3.1	18.2	(18.2)
Budget exchange of IP address proceeds to 2024-25	0.0	0.0	0.0	(31.0)
Ringfence funding surrenders:				
Fraud Compensation Fund	0.0	0.0	0.0	(36.8)
ONR loan	0.0	0.0	0.0	(1.0)
Funeral Expense Payments	0.0	0.0	0.0	(2.6)
Reprofile of ringfence funding to 2024-25:				
Synergy	(17.6)	0.0	(17.6)	0.0
Large Capital Projects	0.0	0.0	0.0	(11.4)
Cash forecasting rebate	0.8	0.0	0.8	0.0
Transfers to/from other Government Departments				
Transfer to MoJ for Yorkshire Development Scheme	(1.2)	0.0	(1.2)	0.0
Transfer to DHSC for Individual Personal Support - Drugs & Alcohol	0.0	(3.1)	(3.1)	0.0
Transfer to HMRC for UC delivery costs	0.0	(1.1)	(1.1)	0.0
Transfer to DHSC for Employment Advisors in Talking Therapies	0.0	(10.3)	(10.3)	0.0
Transfer to DHSC for Workwell	0.0	(3.5)	(3.5)	0.0
Transfer to DHSC for Occupational Health	0.0	(1.0)	(1.0)	0.0
Transfer to DHSC for Individual Placement & Support	0.0	(1.7)	(1.7)	0.0
Transfer to DHSC for Musculo-Skeletal Health	0.0	(0.5)	(0.5)	0.0
Transfer to DHSC for Fit Note	0.0	(0.2)	(0.2)	0.0
Transfer to DSIT for AI Safety Institute	0.0	0.0	0.0	(6.0)
Transfer to DLUHC for Building Safety Regulator	0.0	0.0	0.0	(2.4)
Transfer from Cabinet Office for National Cyber Security Programme	0.0	0.1	0.1	0.0
Transfer from HMRC for UC programme delivery	0.0	2.4	2.4	0.0
Transfer from Cabinet Office for Government Data Exchange project	0.0	0.7	0.7	0.0
Transfer from DHSC for Joint Work & Health Directorate	0.0	1.0	1.0	0.0
Transfer from DLUHC for HSE Building Safety Regulator	0.0	14.9	14.9	0.0
Transfer from HMRC for MaPS Debt Advice	0.0	1.5	1.5	0.0
Funding at Supplementary Estimate 2023-24	**1,046.8**	**8,116.1**	**9,162.9**	**691.0**

Annex D: Departmental Expenditure Limit 2018-19 to 2023-24 [26]

	Limit	Outturn	Variance
	£m	£m	£m
Administration			
2018-19 Outturn	845	780	65
2019-20 Outturn	912	797	115
2020-21 Outturn	963	911	52
2021-22 Outturn	928	920	8
2022-23 Outturn	970	874	96
2023-24 Supplementary Estimate	1,047		
Resource			
2018-19 Outturn	6,044	5,967	77
2019-20 Outturn	5,905	5,883	22
2020-21 Outturn	6,932	5,751	1,181
2021-22 Outturn	9,180	8,972	208
2022-23 Outturn	8,767	8,696	70
2023-24 Supplementary Estimate	9,163		
Capital			
2018-19 Outturn	375	334	41
2019-20 Outturn	195	81	114
2020-21 Outturn	644	468	176
2021-22 Outturn	635	626	9
2022-23 Outturn	576	450	126
2023-24 Supplementary Estimate	691		

[26] Data above is sourced from DWP's Annual Reports and Accounts for each financial year up to and including 2022-23.