



Health and Social Care Committee

Samantha Jones
Permanent Secretary
Department of Health and Social Care

Wednesday 25 March 2026

Subject: Supplementary Estimate 2025-26

Dear Samantha,

Thank you for the Department's Supplementary Estimate Memoranda for 2025-26. The Committee has reviewed the documents and would be grateful for further clarification on a number of points, set out below.

Depreciation and impairment drawdown

Within the supplementary estimate tables for 2025–26, it appears that just over £1 billion has been drawn down from the reserves for depreciation and impairment requirements. Could you please clarify how much of this relates specifically to depreciation and how much to impairment, and provide the reasons for the changes since the Main Estimate?

Transparency

As you will be aware, an Estimates Memorandum is intended to give Parliament a clear and comprehensive explanation of the funding being sought, setting out how resources are allocated, how spending decisions align with the Department's strategic objectives, and enabling effective scrutiny of public expenditure. This level of transparency is essential if Parliament is to assess how the Department's budget supports its stated priorities.

At present, however, the Estimate subheadings are consolidated into a single line for "NHS England." While this may reflect internal organisational arrangements, such aggregation prevents Parliament from seeing how funds are distributed across the Department's key programmes and responsibilities. In practice, this approach offers no more transparency than the three-year Spending Review settlement.



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The merger of DHSC and NHS England presents a timely opportunity to reconsider the structure of the Estimate subheadings. We recommend that the Department work closely with HM Treasury and the House of Commons Scrutiny Unit to ensure that any revisions fully incorporate the transparency required for parliamentary scrutiny.

In the interim, the Committee is keen to understand how the Department is rebalancing its budget to deliver the three strategic shifts; from hospital to community, from analogue to digital, and from sickness to prevention and seeks clarity on the ex ante funding streams underpinning these priorities. We therefore request that future iterations of the Estimate Memorandum include details on these shifts.

Furthermore, the Committee wishes to understand how much the Department has budgeted for pharmaceutical expenditure in light of the new UK-US pharmaceutical trade agreement. We would be grateful if you could confirm the level of pharmaceutical spending included in:

- the Main Estimate for 2025–26; and
- the Supplementary Estimate for 2025–26, including an explanation for any changes.

We also ask that the Department commit to providing this information on pharmaceutical spending in all future Estimates Memoranda so that it can be tracked for the duration of Parliament.

Annual Strategic Plans

During the 2025 Budget, the government announced that by Spring 2026 departments would publish annual strategic plans (previously referred to as Outcome Delivery Plans). Could you confirm whether the department is on track to publish this information in Spring?

NHS Pension scheme

Finally, may I also remind the Department that, alongside the departmental Estimate memorandum, a separate explanatory memorandum is required for the NHS Pension Scheme.

We would be grateful to receive the Department's response by Wednesday 8 April

Yours sincerely,



**Health and Social Care
Committee**

A handwritten signature in black ink that reads "Layla Moran".

**Layla Moran, MP
Chair, Health and Social Care Committee**