

Home Affairs Committee

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From the Committee Chair

Matthew Rycroft CBE
Permanent Secretary
Home Office
2 Marsham Street
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8 September 2021

Dear Mr Rycroft

Departmental Estimates

Following publication of the Department's Supplementary Estimates for 2020-21 and Main Estimates for 2021-22, the Committee has considered the expenditure plans they contain. Please provide answers to the following questions:

Supplementary Estimates 2020-21

The Supplementary Estimate memorandum states that the Department received an additional £1,655 million in 2020-21 for the direct impacts of Covid-19, to cover:

- i. Running costs against declining income
- ii. Asylum costs
- iii. Police force purchases of non-medical PPE

The Supplementary Estimates suggest the Department received £1,125 million for Covid-19 "pressures", £321 million for BICS income shortfall, £260 million for asylum, and £36 million for policing costs for Quarter 4.

Income from visa and passport operations decreased from £2,772 million in the Main Estimate to £884 million in the Supplementary Estimate – a reduction of £1,888 million.

- Q1. Is the £1,125 million for "pressures" also split between these other areas – can the Department provide a further breakdown of how this funding was allocated?
- Q2. The suggested loss in income from visas and passports is significantly more than the additional Covid-19 funding. How was this proportion agreed with HM Treasury?
- Q3. Have there been any complications or benefits for the department in receiving this funding from the Treasury Reserve, rather than through the conventional income streams?
- Q4. The Department received £25 million for Policing to manage transitional border disruption "as a result of leaving the EU and COVID-19". Where was this money focused – did the Covid element and reduced travel provide an offset to the EU element?

Questions regarding Table A – detailed expenditure breakdown:

- Q5. The budget for the "Crime, Policing and Fire" group (excluding the Police Settlement), increased by around £305 million (+37%) in-year, whilst the Police Settlement was reduced by £22 million. Is all additional Covid spending allocated here, rather than in the settlement?

- Q6. Spending on “Digital, data and technology” increased by £105 million (+33%) and “cyber security” by £5.5 million (+87%). Is this increase entirely driven by the move to remote working, and how much is estimated to be an ongoing increase in costs?

Future budgets:

- Q7. The department has not yet been allocated any Covid-19 budget for 2021-22. What areas will require ongoing Covid-19 spending, and is the department able to accommodate these within the planned budget for 2021-22
- Q8. The Institute for Fiscal Studies has identified that current government protections for spending defence, education and health mean that unprotected departments may face a Resource DEL squeeze from 2022-23. What work is the Department undertaking to identify efficiencies and potentially to work within a reduced budget?

Main Estimates 2021-22

- Q9. The Department is forecasting a year on year income rise of 81% from Visa operations and 151% rise in income from Passport and registration fees during 2021/22. Given the global pandemic, the issues regarding variants and the challenges around the global vaccination operation what is the basis for this forecast? Does the Department think additional Covid support could be required not only for this year but for following years until global travel normalises?
- Q10. In 2020 a £250 million provision was made to support the Windrush compensation scheme. Since then, no other monies have been sought. Has any of this provision been spent on day to day running costs and, if so, how much? Does the Department foresee any future spending requirement for Windrush compensation – or even potential hand back?

The Committee has noted the steps your Department has taken to comply with the new guidance issued by the House of Commons Scrutiny Unit, following the Procedure Committee's Estimates inquiry in 2017. We are pleased at the progress you have made to date in adopting these changes and encourage you to maintain dialogue with the Scrutiny Unit and ensure that you continue to apply the requirements set out on the Scrutiny Unit's [webpage](#)¹ in the future. In particular, the Scrutiny Unit found the commentary you provided on 'Steps being taken to address performance issues' exemplary.

Please provide your response to the Committee by Monday 20 September.

Yours sincerely



Yvette Cooper MP