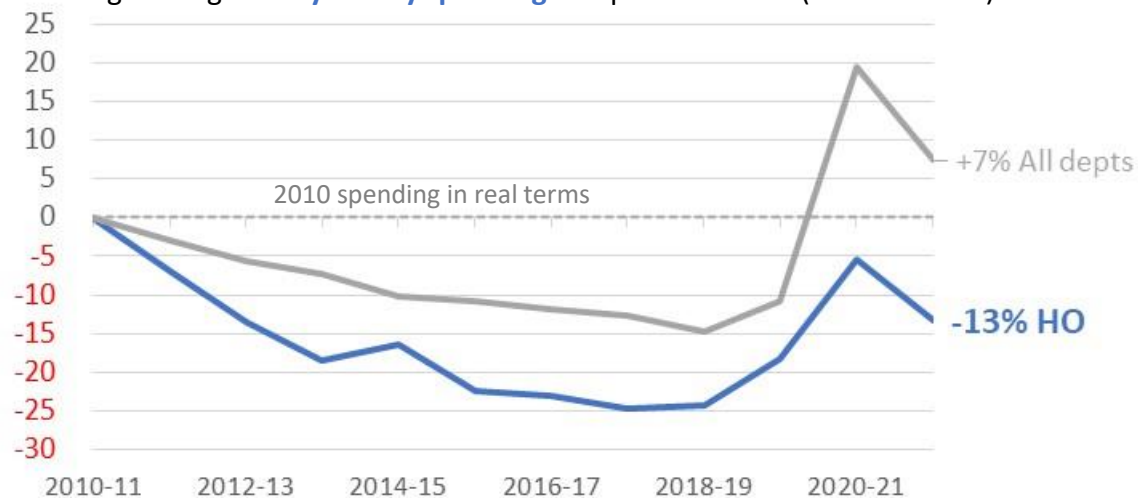


Home Office (HO)

Long-term trends in Home Office's spending (in real terms)

Percentage change in **day-to-day spending** compared to 2010 (Resource DEL):



Day-to-day spending trends

- By 2017-18 the budget had **decreased by 25% in real terms** compared to 2010-11.
- Since then increases have largely been driven by **additional funding for EU Exit preparations**, and additional funding for **new police officers**
- In 2020-21 HO received £1,675 million in **Covid funding**, driving spending back towards 2010 levels.
- This year **no Covid funding** has yet been allocated (it is expected to occur in year and be finalised in towards the end of year)

Percentage change in **investment spending** compared to 2010 (Capital DEL):



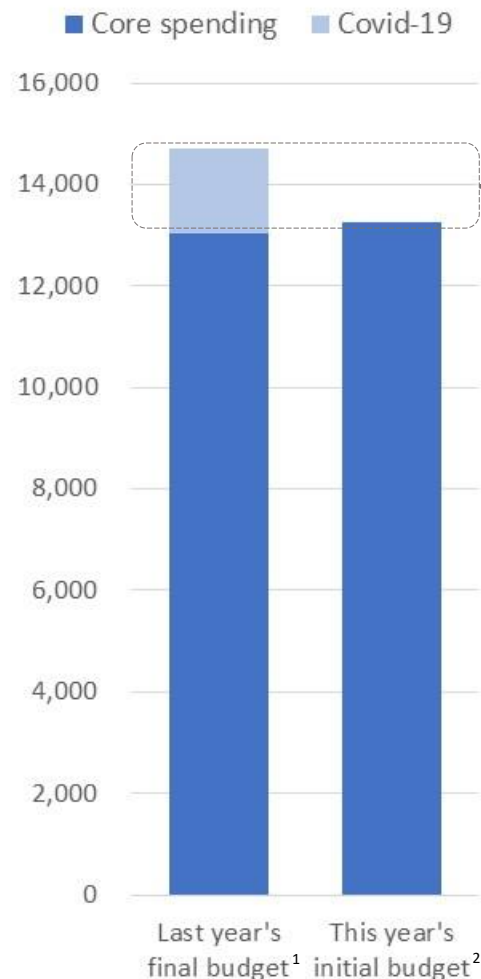
Investment spending trends

- As with day-to-day spending, the investment budget was **reduced under austerity**; in 2015-16 it was **43% lower** than it had been in 2010-11.
- Recent increases are driven by **additional EU Exit funding**, particularly for border controls.
- The department did not receive any Covid funding in 2020-21 or for this year.

How is the Home Office's day-to-day spending changing in 2021-22?

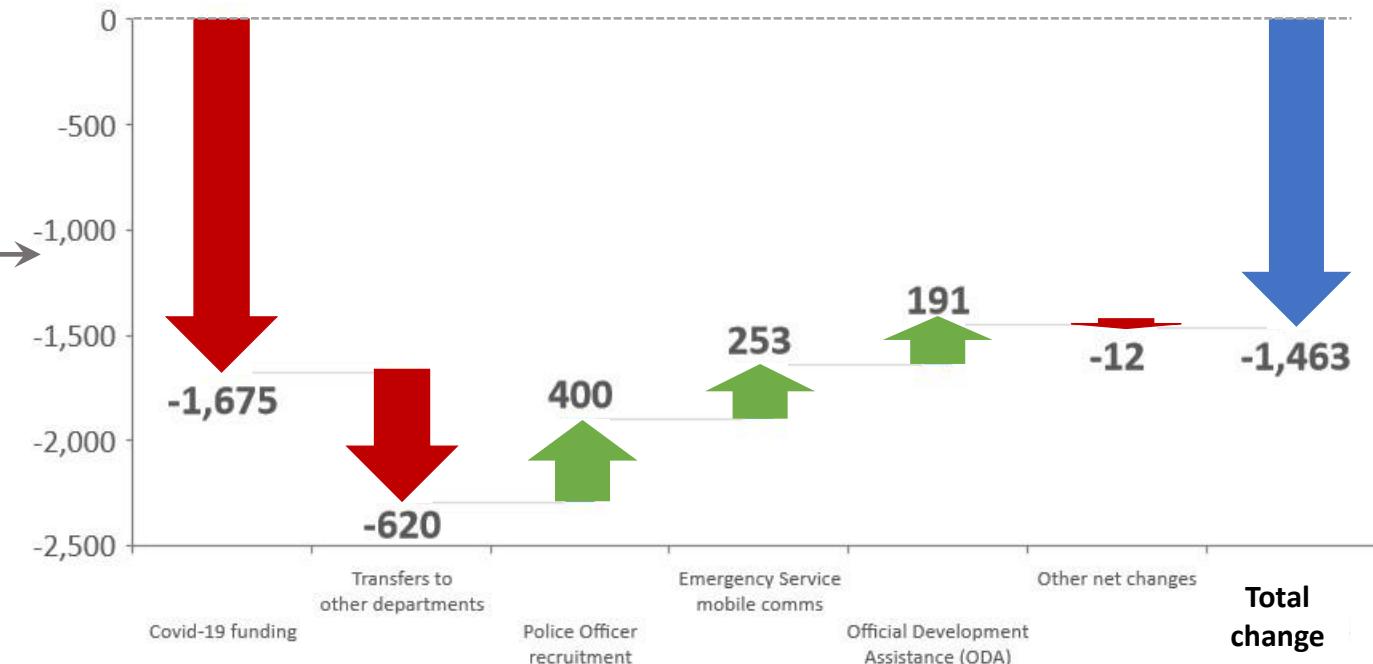
Home Office's day-to-day budget is decreasing by **£1,462.6 (-9.9%)**

Resource DEL budget in £m



Home Office's spending reduction is driven by a reduction in Covid-19 funding (possibly temporarily)

Changes in Day-to-day (Resource DEL) budget in £m since final budget for 2020-21



Changes in 2021-22

- **Covid-19 funding:** Last year the HO received £1,675 million in its Supplementary Estimate for Covid; the Main Estimate contains no funding, but spending is again expected in year, and to be approved in the Supplementary.
- **Transfers:** inc. £479 million for Immigration Health Surcharge (DH), £155 million for fire pensions (MHCLG)
- **Police Officer recruitment:** additional £400 million towards aim of recruiting 20,000 additional officers by 2023
- **Emergency Service mobile communications (ESMCP):** replacement for Airwave service for emergency comms
- **ODA:** inc. £154 million for asylum support and refugee resettlement and £14 million for modern slavery
- **Other:** includes additional commitments for Counter Terrorism (£70 million), asylum support (£67 million) and the Future Borders programme (£64), offset by reductions to existing budgets

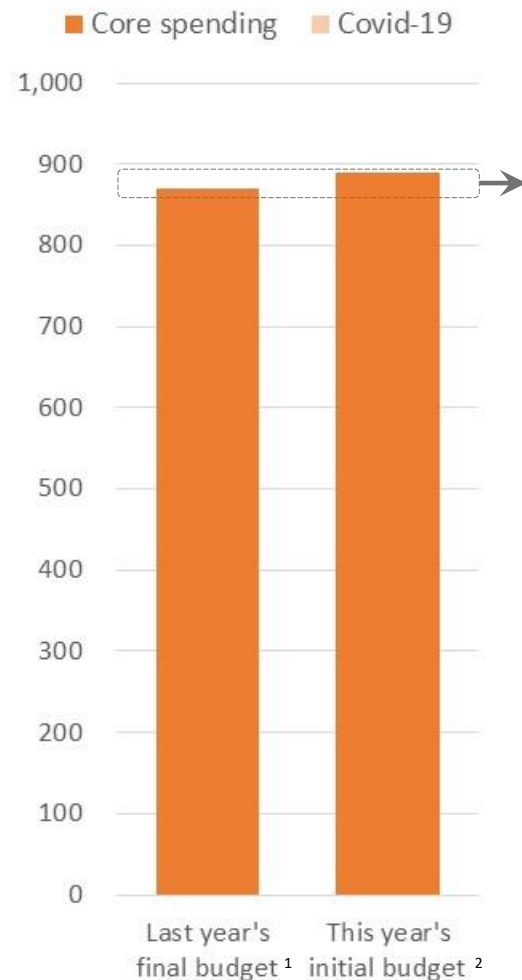
¹ Final Budget in Supplementary Estimates 2020-21 (Feb 2021)

² Initial Budget in Main Estimate 2021-22 (May 2021)

How is Home Office's investment spending changing in 2021-22?

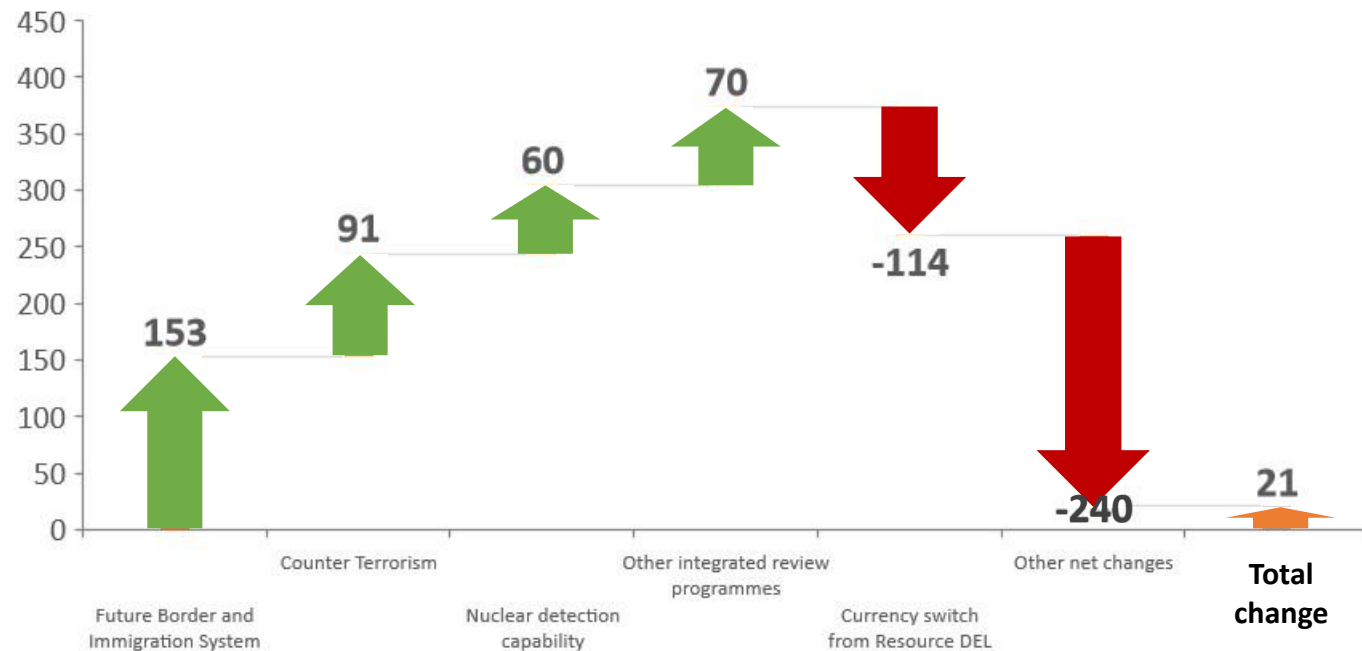
Home Office's investment budget is increasing by £20.7m (+2.4%)

Capital DEL budget in £m



Home Office's investment spending increases due to commitments from its "integrated review"

Changes in Investment (Capital DEL) budget in £m since final budget for 2020-21



Changes in 2021-22

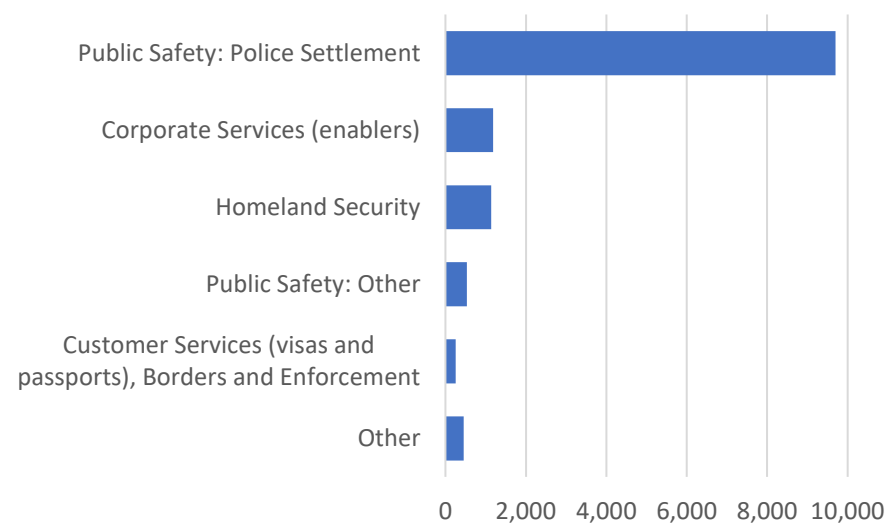
- **Future Border and Immigration System:** development of new system following EU Exit.
- **Counter Terrorism:** £59 million to maintain current policing levels and additional £32 million to establish a Counter Terrorism Operations Centre
- **Nuclear detection capability:** additional and ring-fenced budget this year
- **Other integrated review programmes:** includes £33 million to tackle economic crime
- **Currency switch:** annual switch from Resource to Capital DEL at end of last year is now unwound and effectively reduces the HO budget
- **Other:** offsetting internal budget reductions, including £198 million reduction in the budget for public safety

¹ Final Budget in Supplementary Estimates 2020-21 (Feb 2021))

² Initial Budget in Main Estimate 2021-22 (May 2021))

Most of the Home Offices budget is for public safety through police spending

Breakdown of Home Office initial budget for 2021-22 (£ million)*



Day-to-day spending (Resource DEL)

- The **Police Settlement** of £9,702 million represents nearly 70% of all departmental spending (day-to-day and investment)
- As well as the settlement, **Other Public Safety (£530 million)**, **Homeland Security (£1,133 million)** and Migration and Border (£217 million in 'other') represent the Home Office's "Missions"
- Corporate Service "enablers" includes estates, legal functions and digital.
- **Income** from visas (£2,114 million) and passports (£755 million) is included in the Customer Services tranche, reducing net spend to £255 million; areas of spending offset by this include asylum support (£862 million) and Border Force (£702 million)

Investment spending (Capital DEL)

- Investment spending is very low compared to day-to-day spend – around 6% of the DEL budget, reflecting the labour intensive nature of policing and immigration work
- **Customer services, Borders and Enforcement** includes £154 million for Border Force core operations
- **Migration and Borders** budget of £158 million covers much of the IT and infrastructure required for the future Border and Immigration system

As part of "One Home Office Transformation", HO has restructured and renamed its internal organisation this year, "aligning leadership with outcomes and cross-cutting capabilities"

*Day-to-day spending includes depreciation; totals above will overstate cash spending as a result

Home Office's spending beyond 2021-22

The most recent spending plans were published in **Spending Review 2020**, with some further announcements in **Budget 2021**. Due to uncertainty caused by Covid-19 plans were only given for 2021-22 and some specific multi-year capital programmes.

Major future commitments have included*:

- £881 million cash increase from 2020-21 to 2021-22
- £400 million for the recruitment of 20,000 police officers by 2023
- Continuing the additional £70 million for counter-terrorism awarded in 2020-21
- Enhancing nuclear detection capability with £22 million day-to-day funding in 2021-22 and £329 capital funding to 2024-25
- £153 million investment and £64 million day-to-day for the new points-based immigration system.
- £64 million to tackle economic crime.

Day-to-day spending:

- Main Estimate is £0.4 billion below SR20 settlement
- HO currently does not have any funding for Covid-19 measures in 2020-21.
- HO may be one of the departments facing future spending reductions from 2022-23.

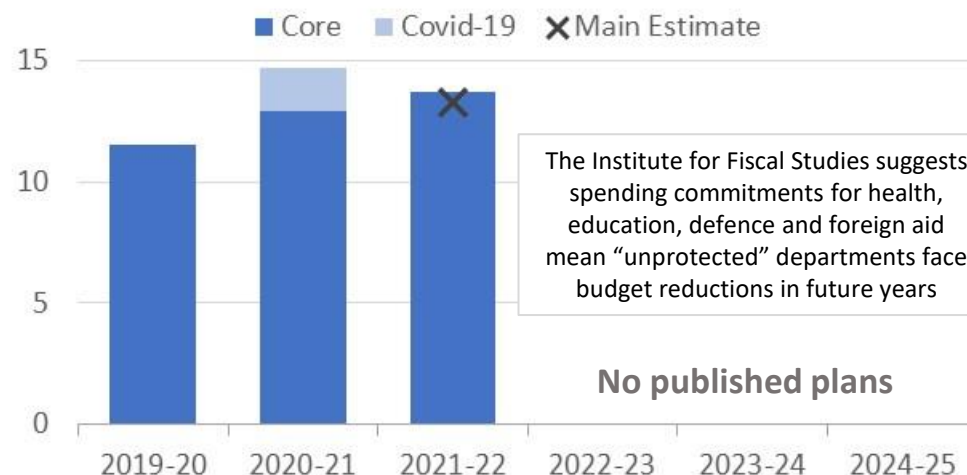
Investment spending:

- Main Estimate settlement appears marginally higher than SR20
- The only multi-year investment programme is in domestic nuclear security, which peaks at £127 million in 2023-24

*May involve day-to-day and investment spending over several years

Home Office's future day-to-day spending is largely unknown

£ billion, Resource DEL budget excluding depreciation



Home Office's future investment spending includes one major project

