



DEBATE PACK

Number CDP-2018-0046, 22 February 2018

The Spending of the Department for Exiting the European Union

By Philip Brien

Summary

There will be a debate on Monday 26 February in the Commons Chamber on the spending of the Department for Exiting the European Union.

The subject for this debate was selected by the Backbench Business Committee as part of the new process for choosing subjects of Estimates Day debates, following the publication of the 2017-18 Supplementary Estimates on 7 February 2018. The application to the Committee was made by Stephen Gethins MP, who said the following in his proposal to the Committee:

There is a significant debate taking place at the moment about our future relationship with the European Union. As part of that, despite being a relatively new Department, DExEU's expenditure is having consequences right across Whitehall, and we are seeing considerable transfers from DExEU to other Departments. I am asking for the opportunity to debate the costs of Brexit, looking at day-to-day activities, ongoing negotiations, practical spending on transitional arrangements and other related contingency planning.

I think that this is particularly important, regardless of what side of the debate colleagues sit on. This will be an increasingly important Department, not least over the next six months, and some of its actions will have very significant and far-reaching consequences. It will give us the opportunity to interrogate that a little bit further.

The House of Commons Library prepares a briefing in hard copy and/or online for most non-legislative debates in the Chamber and Westminster Hall other than half-hour debates. Debate Packs are produced quickly after the announcement of parliamentary business. They are intended to provide a summary or overview of the issue being debated and identify relevant briefings and useful documents, including press and parliamentary material. More detailed briefing can be prepared for Members on request to the Library.

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1. Background

1.1 New Estimates Day debates

A report of the House of Commons Procedure Committee last year¹ was critical of the way, up until now, Estimates Day debates have been used. While three days a year have been set aside for many years, nominally for debates on Estimates (the government's plans for public spending), in practice these slots have been used to debate a variety of topics, often only very loosely tied to public spending.

Part of the problem was felt to be that because, until now, the Liaison Committee selected the debates, the expectation was that debates should be about recent select committee reports.

Under an arrangement between the Backbench Business Committee and the Liaison Committee it has been agreed that, in future, in return for selecting topics for the three days of Estimates day debates a year, the Backbench Business Committee will make available three of its slots to the Liaison Committee for discussion of select committee reports.

For more information, please see the Library briefing paper [Public spending: New debates in the House](#).

The Backbench Business Committee has decided that one of the Estimates debates this year should be on the spending of the Department for Exiting the EU (DExEU).

1.2 The Department for Exiting the EU

DExEU was set up in July 2016 in the wake of the EU referendum, to oversee the negotiations involved in leaving the European Union and establish the future relationship between the UK and the EU. It was formed by combining staff from the Cabinet Office's Europe Unit, the Europe Directorate of the Foreign and Commonwealth Office, and the UK's Permanent Representation to the EU (although this continues to operate as part of the FCO),² and therefore took over the responsibilities of those units from their respective departments.

1.3 DExEU's spending

The total spending of DExEU in 2016-17 (its first year of operation) was £24.7 million³. The plans for its spending over the remainder of the current Spending Review period are as follows:

¹ Procedure Committee, 5th report, 2016-17 session, *Authorising government expenditure: steps to more effective scrutiny*, HC 190, 19 April 2017, <https://publications.parliament.uk/pa/cm201617/cmselect/cmproced/190/19002.htm>

² Prime Minister, [Machinery of Government Changes: Written statement](#), 18 July 2016, HCWS94

³ [Department for Exiting the EU, Annual Report and Accounts 2016-17, HC 123, Statement of Parliamentary Supply, p 40](#)

DExEU spending, 2016-20				
£ millions, not adjusted for inflation				
	RDEL Admin	CDEL	RAME	Total
2016-17	24.2	0.5	-	24.7
2017-18	76.4	0.8	3.0	80.2
2018-19	100.0	0.1	0.5	100.6
2019-20	95.2	0.1	0.5	95.8

Notes: 2016-17 figures are outturn, all others are plans.
DExEU underspent in 2016-17 - the original budget was £48.9 million RDEL, £1.5 million capital DEL, £0.5 million AME.
Sources: DExEU, Memorandum on the Supplementary Estimate 2017-18, 22 February 2018
DExEU Annual Report and Accounts 2016-17, July 2017
DEXEU Supplementary Estimate 2017-18, February 2018

Box 1: DEL and AME

Public spending can be divided into two major types: Departmental Expenditure Limits (spending planned several years in advance) and Annually Managed Expenditure (more variable spending allocated each year). It can further be divided into resource (spending on things that are used up, such as salaries) and capital (spending on assets that last, such as buildings or vehicles). Spending is therefore often reported under four categories representing all combinations of these types: RDEL, CDEL, RAME and CAME.

The above figure for 2017-18 includes a reduction proposed in the recent Supplementary Estimates, to reduce DEXEU's budget for the current year by £24.3 million.⁴ This net figure consists of a reduction in resource spending of £25 million, and an increase of £0.7 million in capital spending for IT. Around £2 million of the reduction in resource spending is due to budget being transferred to other departments, as follows:

- £0.97 million transferred to the Cabinet Office. This is a Machinery of Government change involving the transfer of responsibilities in relation to the role of Europe Adviser to the Prime Minister and Secretariat functions from DExEU to the Cabinet Office (CO).
- £0.46 million to the National Archives to cover work on preparing to publish new UK legislation that incorporates laws previously covered by EU legislation.
- £0.38 million to the FCO for a number of UK Representative to Brussels (UKREP) roles that will help support the Brexit negotiations and also for key stakeholder events that will take place in diplomatic posts across Europe.

The remaining £20 million returned to the Treasury is by far the largest movement in the Supplementary Estimates.

Almost all of DExEU's budget is accounted for by the Department's administration budget⁵. £3 million of its budget is allocated to non-

⁴ The original DEXEU budget in the 2017-18 Main Estimate was for £101.0 million resource, £0.1 million capital.

⁵ Covering costs of employing staff and associated running costs.

administrative AME (see Box 1 for an explanation of the different types of spending).

1.4 Other departments' spending on Brexit

Money has also been allocated to a number of other departments to make preparations for Brexit. The recent Supplementary Estimates include the following Brexit-related spending increases:

Extra money to prepare for Brexit in 2017-18, by department			
£ millions, from the 2017-18 Supplementary Estimates			
	Resource	Capital	Total
BEIS	27.7	7.4	35.1
DCMS	9.0	-	9.0
DEFRA	58.3	9.1	67.4
DIT	22.9	6.9	29.8
FCO	3.9	-	3.9
HO	42.0	18.0	60.0
DFT	4.6	1.0	5.6
HMT	5.4	-	5.4
HMRC	36.2	10.8	47.0
CO	6.6	-	6.6
FSA	0.9	-	0.9
CMA	1.0	-	1.0
Scottish Government	5.2	1.4	6.6
Welsh Government	3.0	0.7	3.7
Northern Ireland Government	1.9	0.5	2.4
Scotland Office	0.1	-	0.1
Wales Office	0.1	-	0.1
NI Office	0.2	-	0.2
Total	228.9	55.8	284.8

Source: HM Treasury, Supplementary Estimates 2017-18, HC 808, February 2018

This is not the first time that extra money has been allocated to departments specifically for preparations for Brexit, although it is the largest allocation of this kind so far. The [2016 Autumn Statement](#) included a commitment of “up to £51 million in 2016-17” for the Department for Exiting the EU, and “£26 million a year by 2019-20” in order to “strengthen trade policy capability in the Department for International Trade (DIT) and Foreign and Commonwealth Office”. In the Main Estimates for 2017-18, the Ministry of Justice, HMRC, and the Department for Environment, Food and Rural Affairs all include preparation for leaving the EU in their lists of items that will require spending by the department, but in each case no separate amount of money is listed for this purpose.

More recently, at Prime Minister's Questions on 11 October 2017, [the Prime Minister said](#) that the Treasury has committed over £250 million in 2017/18 to prepare for Brexit:

We are preparing for every eventuality. We are committing money to prepare for Brexit, including a no-deal scenario. It might be helpful if I update the House. The Treasury has committed over £250 million of new money to Departments such as the

Department for Environment, Food and Rural Affairs, the Home Office, Her Majesty's Revenue and Customs and the Department for Transport in this financial year for Brexit preparations. In some cases, Departments will need to spend money before the relevant legislation has gone through the House. The Treasury will write to Departments and to the Public Accounts Committee explaining this process shortly. Where money needs to be spent, it will be spent.

The 2017 Autumn Budget contained [a promise of £3 billion extra spending](#) "to ensure that the government can continue to prepare effectively for EU exit", with £1.5 billion being provided in each of 2018-19 and 2019-20.

1.5 The EU "divorce settlement"

On 11 December 2017 the Prime Minister informed the House that the EU and UK have:

agreed the scope of commitments, and methods for valuations and adjustments ... The calculations currently say that the valuation would be £35 billion to £39 billion.

She also stated that the offer is in the "context" of the EU and UK "agreeing the next stage and the partnership for the future".

The components of the financial settlement as set out in the agreement are:

- Contribution to European Union annual budgets to 2020
- Outstanding commitments at the end of 2020
- Other liabilities and contingent liabilities.

The Chair of the Treasury Committee has recently requested the National Audit Office NAO to examine the withdrawal payment, including the assumptions and methodologies used.

For more information, please see the Library briefing on [Brexit: the exit bill](#).

2. Government material

DExEU's explanatory memorandum to its 2017-18 Supplementary Estimate is [available online](#).

Because DExEU is a very new department, it has released only one Annual Report and Accounts document so far, [available on gov.uk](#). This report was released on 19 July 2017, but only covers the Department's activity up to 31 March 2017, which is before negotiations with the EU began.

The report includes a section on the Department's spending, reproduced below:

5.17 In the 2016 Autumn Statement, the Government announced additional resource for DExEU of up to £51 million in 2016-17, and up to £94 million a year from 2017-18 until the UK's exit is complete, to support the re-negotiation of the UK's relationship with the EU. This funding is in addition to budget transfers from the FCO and Cabinet Office following Machinery of Government changes, which amounted to £7.5 million in 2016- 17.

5.18 The Department undertakes regular resource reviews to ensure that its structure and funding remain appropriate. As a result of these reviews, the Department reduced its original 2016-17 budget estimate in December 2016. The revised 2016-17 budget of £50.9 million, comprising £48.9 million of Resource Departmental Expenditure Limit (DEL), £1.5 million of Capital DEL, and £0.5 million of Annually Managed Expenditure (AME) was subsequently agreed as part of the 2016-17 Supplementary Estimates round and received Royal Assent on 17 March 2017. The long-term budgeted expenditure trends up to 2019-20 are set out in the core tables on page 46.

5.19 During 2016-17, the Department incurred net spend totalling £24.2m, reflecting an underspend of £25.2m (51%) against the total Resource budget. DExEU's budget was developed to ensure there was adequate resource to deliver its objectives across a range of scenarios. The Department ultimately did not require the full budget which it had been allocated in relation to staffing and other running costs. Further detail on DExEU's variance against budget can be found in the Financial Overview on page 45 and in the Notes to the Financial Statements on page 54.

5.20 The majority of the Department's expenditure in 2016-17 related to staff costs (£14m, 58%), including pay and allowances, reflecting the fact that DExEU's main objectives are policy development and coordination.

5.21 After staff costs, the most significant area of spend was legal costs, which totalled £3.7m (15%). £2.2m of this spend related to routine policy (fixed-fee) legal advice provided by the Government Legal Department. Of the remainder, approximately £0.7m relates to Government expenditure on Article 50 and Article 127 litigation and £0.5m relates to court ordered third party litigation costs. The breakdown of these litigation costs is as follows:

				£'000
Case	Legal fees^[1]	Counsel Fees and Disbursements	Other Party costs	Total costs
Article 50	317	333	493 ^[2]	1,143
Article 127	28	50	-	78
Total costs	345	383	493	1,221

[1] Approximately 75% of Article 50 costs (excluding Northern Ireland and other party costs) relate to the Supreme Court appeal

[2] Other party costs are split between incurred third party costs of £128k for England and Wales and estimated third party costs of £365k for Northern Ireland

5.22 Other significant areas of spend includes expenditure on accommodation (£3.4m, 14%) and IT (£1.2m, 5%).

3. Parliamentary material

3.1 Written Parliamentary Questions

Hywel Williams's questions

Hywel Williams MP has asked a series of questions to all Government departments, all of the following form:

To ask the [Secretary/Minister], how much his/her Department plans to spend on projects relating to the UK leaving the EU in the next five years; and if he/she will list the projects to which that funding has been assigned.

The responses he has received from each department are as follows (his question to the Cabinet Office⁶ has not yet received an answer):

Attorney General (PQ [126823](#))

Given the role of the Attorney General's Department, it does not lead on specific projects related to the UK leaving the EU and therefore has not incurred any additional expenditure. None of the Law Officers' Departments has received direct funding therefore for work relating to the UK leaving the EU. Members of staff across the Law Officers' Departments provide advice and analysis on different issues as required, and different Government departments bid for funding from HMT to pay for their resource needs, including the services of the Government Legal Department (GLD).

Scotland Office (PQ [126844](#))

HM Treasury has allocated £141,000 to the Scotland Office to provide additional resources to deal with preparations for EU exit including policy support and specialist legal advice.

At Autumn Budget 2017, HM Treasury made another £3 billion of additional funding available over 18/19 and 19/20 – £1.5 billion in each year. We are currently working with HM Treasury to determine our allocation for 18/19 with the aim to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Department for International Development (PQ [126830](#))

EU Exit is an all-of-government operation and the Department for International Development is doing detailed work with departments to prepare for the upcoming negotiations by understanding the risks and opportunities of leaving the EU and coordinating planning.

My department has no current plans for any spends on projects that relate to the UK leaving the EU in the next five years.

⁶ PQ [126824](#)

Department for Transport (PQ [126833](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit: £412m for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 17/18 – The Department for Transport received £5.6m of this funding.

At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in each year. We are currently working with HM Treasury to determine our allocation for 18/19 with the aim to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Department for Work and Pensions (PQ [126834](#))

The UK's withdrawal from the EU will impact on a number of the Departments' business areas and the development of plans is linked to the outcome of the ongoing negotiations with the EU. At present, no specific funding requirements have been identified for DWP but we will continue to review this position.

Treasury (PQ [126838](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit: £412m for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 17/18 – HMT itself received £6m of this funding.

At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in each year. We are currently working to determine HMT's allocation for 18/19 and we are aiming to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review.

Ministry of Housing, Communities and Local Government (PQ [126841](#))

HM Treasury has already allocated departments nearly £700 million to prepare for EU Exit: £412 million for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300 million across a number of departments from the Reserve in 2017-18.

At Autumn Budget 2017 HM Treasury made another £3 billion of additional funding available over 2018-19 and 2019-20 – £1.5 billion in each year. We have not bid for any of this funding to date.

Departmental allocations for 2019-20 will be agreed later on in the year and decisions on funding in 2020-21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Northern Ireland Office (PQ [126843](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit from the Reserve. The Department received £0.216m of this funding in 17/18 which has been spent on additional resources to deal with Brexit preparations.

At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in each year. NIO officials are currently working with HM Treasury to determine the allocation for 18/19 with the aim being to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in negotiations with the EU.

Department for Business, Energy and Industrial Strategy (PQ [126825](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit: £412m for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 2017/18 - BEIS received £35.1m of this funding.

At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 2018/19 and 2019/20 – £1.5bn in each year. BEIS is currently working with HM Treasury to determine its allocation for 2018/19, with the aim of reaching agreement soon.

Departmental allocations for 2019/20 will be agreed later on in the year and decisions on funding in 2020/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Department for Environment, Food and Rural Affairs (PQ [126829](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit: £412m for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 17/18 - Defra received £67m of this funding to support our comprehensive EU exit programme of projects and other activities.

At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in each year. We are currently working with HM Treasury to determine our allocation for 18/19 with the aim to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Department of Health and Social Care (PQ [126835](#))

As announced at the Autumn Budget 2017, HM Treasury is making £3 billion of additional funding available over the next two years - £1.5

billion in both 2018/19 and 2019/20 – so that departments and the devolved administrations can continue to prepare effectively for Brexit. We are currently working with HM Treasury and Department for Exiting the European Union to establish what we need to prepare effectively, and what additional funding should be supplied – HM Treasury will aim to agree 2018/19 allocations early this year. Funding requirements for 2019/20 will be affected by progress in negotiations with the EU and will therefore be decided at a later date. Additional funding received from the Reserve will be set out at Supplementary Estimates in the usual way.

Home Office (PQ [126839](#))

Leaving the EU has created a programme of work for the Home Department. For the financial year 2017-'18, HM Treasury allocated £60m to fund the Department's preparations. We are still discussing future year funding with HMT.

Ministry of Defence (PQ [126840](#))

How much the Ministry of Defence plans to spend on projects relating to the UK leaving the EU over the next five years is still being decided.

Wales Office (PQ [126845](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit; £412m for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 17/18.

At Autumn Budget 2017, HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in each year. We are currently working with HM Treasury to determine our allocation for 18/19 with the aim to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Department for Digital, Culture, Media and Sport (PQ [126827](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit: £412m for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 17/18. My Department received £9m of this funding in 17/18.

At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in each year. We are currently working with HM Treasury to determine our allocation for 18/19 with the aim to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Department for Education (PQ [126828](#))

At Autumn Budget 2017 HM Treasury made £3 billion of additional funding available across government over 2018/19 and 2019/20 – £1.5 billion in each year. The Department for Education are currently working with HM Treasury to assess if the department requires additional funding for 2018/19 and aim to agree this soon.

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit – £412 million for the Department for International Trade, the Foreign and Commonwealth Office and the Department for Exiting the European Union over the parliamentary session at Autumn Statement 2016 and nearly £300 million across a number of other departments from the reserve in 2017/18.

Departmental allocations for 2019/20 will be agreed later on in the new financial year and decisions on funding in 2020/21 and beyond will be decided at the next spending review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Department for International Trade (PQ [126832](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit: £412m for DIT, FCO and DExEU over the parliament at Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 17/18 - we received £58.5m of this funding in total in 16-17 and 17-18.

At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in each year. We are currently working with HM Treasury to determine our allocation for 18/19 with the aim to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Foreign and Commonwealth Office (PQ [126837](#))

Her Majesty's Treasury (HMT) has already allocated departments an additional nearly £700 million to prepare for Brexit: £412m for the Department for International Trade, Foreign and Commonwealth Office, and Department for Exiting the European Union over the parliament in the Autumn Statement 2016 and nearly £300m across a number of departments from the Reserve in 17/18.

At Autumn Budget 2017 HMT made another £3bn additional funding available over 18/19 and 19/20 – £1.5bn in each year. We are currently working with HMT to determine our allocation for 18/19 and aim to agree this soon.

Ministry of Justice (PQ [126842](#))

HM Treasury has already allocated departments nearly £700 million to prepare for Brexit. At Autumn Budget 2017 HM Treasury made another £3bn of additional funding available over 18/19 and 19/20 – £1.5bn in

each year. We are currently working with HM Treasury to determine our allocation for 18/19 with the aim to agree this soon.

Departmental allocations for 19/20 will be agreed later on in the year and decisions on funding in 20/21 and beyond will be decided at the next Spending Review. This is because requirements in these years will be heavily affected by what is agreed in our negotiations with the EU.

Other questions

PQ HL3957, HM Treasury: [Government Departments: Brexit](#)

Asked by: Baroness Wheatcroft

6 Dec 2017

To ask Her Majesty's Government whether (1) the number, and (2) the cost, of (a) those directly employed by government departments, and (b) those hired as consultants by government departments, to work on matters related to Brexit, has increased since the Brexit referendum; and if so, by how much.

Answered by: Lord Bates

20 Dec 2017

Whilst HM Treasury has oversight of all policies with spending implications, we do not collate information on recruitment numbers or individual costs, including recruitment and consultancy costs, incurred ahead of EU Exit. Where spend is not novel, contentious or repercussive, and is not above delegated limits, departments have autonomy to incur expenditure without seeking formal HM Treasury clearance.

PQ 114901: Department for Education: Brexit

Asked by: Creasy, Stella

21 Nov 2017

To ask the Secretary of State for Education, pursuant to the Answer of 20 November to Question 113181, how much her Department has spent on planning for scenarios related to the UK leaving the EU in the 2017-18 financial year; and from which budget lines that spending has been allocated from.

Answered by: Mr Robert Goodwill

27 Nov 2017

As set out in my answer of 20 November, the Department for Education has reprioritised from within its Resource Departmental Expenditure Limit administrative budget in the 2017-18 financial year to ensure our staff are working in the right areas to be suitably prepared for scenarios related to the UK leaving the EU. The department has not reprioritised any funding away from either our front-line programme or capital budgets for planning for scenarios related to the UK leaving the EU.

PQ 113332: HM Treasury: Brexit

Asked by: Stevens, Jo

15 Nov 2017

To ask Mr Chancellor of the Exchequer, what estimate he has made of the total projected cost to the Exchequer to 2020 of additional Government staff being hired to manage UK exit from the EU.

Answered by: Elizabeth Truss

20 Nov 2017

Whilst HM Treasury has oversight of all policies with spending implications, we do not collate information on all individual costs, including recruitment costs, incurred ahead of EU Exit. Where spend is not novel, contentious or repercussive, and is not above delegated limits, departments have autonomy to incur expenditure without seeking formal HMT clearance.

PQ 110257: HM Treasury: [Brexit](#)

Asked by: Brake, Tom

30 Oct 2017

To ask Mr Chancellor of the Exchequer, what information his Department holds on the cost to the public purse of each Department's workstreams on the UK leaving the EU.

Answered by: Elizabeth Truss

7 Nov 2017

The Treasury has committed over £250 million of additional spending in 2017-18 to prepare for EU Exit from the Reserve. Departmental allocations will be set out at Supplementary Estimates in the usual way. This is in addition to the £412m of additional funding over the parliament announced at Autumn Statement 2016 for the Department of International Trade, the Foreign and Commonwealth Office and the Department for Exiting the European Union. That means the government has allocated over half a billion pounds so far in funding to ensure a successful exit from the EU.

PQ 110779: HM Treasury: [Government Departments: Brexit](#)

Asked by: Doughty, Stephen

1 Nov 2017

To ask Mr Chancellor of the Exchequer, what breakdown, by Department, of Government spending on contingencies for the UK leaving the EU he plans to include in the Budget red book.

Answered by: Elizabeth Truss

6 Nov 2017

Departments are preparing for a range of scenarios. To support these preparations, the Treasury has committed over £250m of additional spending in 2017-18 from the Reserve. Departmental allocations from the Reserve will be set out at Supplementary Estimates in the usual way.

PQ 110038: HM Treasury: [Government Departments: Brexit](#)

Asked by: Tomlinson, Michael

27 Oct 2017

To ask Mr Chancellor of the Exchequer, how much funding from the public purse has been allocated to other Government departments to prepare for the contingency of no deal being reached in the negotiations on the UK leaving the EU.

Answered by: Elizabeth Truss

6 Nov 2017

The Treasury has committed over £250 million of additional spending in 2017-18 to prepare for Brexit from the Reserve. Departmental allocations will be set out at Supplementary Estimates in the usual way. This is in addition to the £412m of additional funding over the parliament announced at Autumn Statement 2016 for the Department of International Trade, the Foreign and Commonwealth Office and the Department for Exiting the European Union. That means the government has allocated over half a billion pounds so far in funding to ensure a successful exit from the EU.

PQ 110462: [Wales Office: Brexit](#)

Asked by: Streeting, Wes

30 Oct 2017

To ask the Secretary of State for Wales, how much his Department plans to spend on preparations for no deal being reached between the UK and the EU.

Answered by: Guto Bebb

2 Nov 2017

Like all departments, the Wales Office is helping to plan for a number of EU Exit scenarios to make sure that we are ready on Day 1. The department has reprioritised to ensure resources are available to do this.

Over £250m of additional funding has been approved across a number of departments in 2017/18 to prepare for Brexit, including the Wales Office. Any additional funding the department receives from the reserve for 2017/18 will be set out at Supplementary Estimates.

PQ 109941: [Foreign and Commonwealth Office: Brexit](#)

Asked by: Streeting, Wes

26 Oct 2017

To ask the Secretary of State for Foreign and Commonwealth Affairs, how much his Department plans to spend on preparations for no deal being reached in negotiations on the UK leaving the EU.

Answered by: Sir Alan Duncan

1 Nov 2017

Like all departments, the Foreign and Commonwealth Office (FCO) is planning for a number of EU exit scenarios to make sure we are ready on day one. Over £250 million of additional funding has been approved across a number of departments in 2017/18 to prepare for Brexit. The FCO has received additional funding this year, and has reprioritised to

meet new pressures arising from Brexit preparations. Additional funding received from the reserve for 2017/18 will be set out at Supplementary Estimates. Decisions on funding in future years will be confirmed at a later date.

PQ 109940: [Department for Environment, Food and Rural Affairs: Brexit](#)

26 Oct 2017

To ask the Secretary of State for Environment, Food and Rural Affairs, how much his Department plans to spend on preparations for no deal being reached in negotiations on the UK leaving the EU.

Answered by: George Eustice

31 Oct 2017

Defra is amongst those government departments whose work is most closely linked to and affected by EU activity, legal frameworks and funding. Some 80% of Defra's work is framed by EU legislation and a quarter of EU laws apply to Defra's sectors. As a result, Defra has an extensive programme of work focused on delivering a smooth exit from the EU, and like all government departments, we are working on preparations for a range of scenarios. The government has committed over £250 million of new money in this financial year for EU exit preparations in departments across Whitehall.

PQ 109860: [Government Departments: Brexit](#)

Asked by: Timms, Stephen

26 Oct 2017

To ask Mr Chancellor of the Exchequer, what financial provision has been made across Government for the period after March 2019 in the event that no deal is reached during negotiations between the UK and the EU in (a) the current financial year and (b) each of the next two financial years.

Answered by: Elizabeth Truss

31 Oct 2017

The Treasury has committed over £250 million of additional spending in 2017-18 to prepare for Brexit from the Reserve. Departmental allocations will be set out at Supplementary Estimates in the usual way. This is in addition to the £412m of additional funding over the parliament announced at Autumn Statement 2016 for the Department of International Trade, the Foreign and Commonwealth Office and the Department for Exiting the European Union. That means the government has allocated over half a billion pounds so far in funding to ensure a successful exit from the EU. An update on Brexit spending will also be provided at Autumn Budget.

PQ 109783: [Department for Communities and Local Government: Brexit](#)

Asked by: Doughty, Stephen

25 Oct 2017

To ask the Secretary of State for Communities and Local Government, what funding his Department has set aside for contingencies relating to the UK leaving the EU in the (a) current and (b) 2018-19 financial year.

Answered by: Mr Marcus Jones

30 Oct 2017

My Department's EU Exit plans are well developed and have been designed to provide the flexibility to respond to a negotiated agreement, as well as preparing us for the eventuality of leaving without a deal. The Government is committing new spending to the preparations for EU Exit, and the Treasury has committed over £250 million of new money to departments in this financial year.

PQ 109778: [Department for Communities and Local Government: Brexit](#)

Asked by: Creasy, Stella

25 Oct 2017

To ask the Secretary of State for Communities and Local Government, what contingency funding his Department has allocated in relation to the Government's negotiations on the UK leaving the EU for the (a) current, (b) 2018-19 and (c) 2019-20 financial year.

Answered by: Mr Marcus Jones

30 Oct 2017

The Government is committing new spending to the preparations for Brexit, and the Treasury has committed over £250 million of new money to departments in this financial year. My Department is doing all the work necessary to prepare for our exit from the EU.

PQ 109115: [HM Treasury: Public Expenditure](#)

Asked by: Doughty, Stephen

23 Oct 2017

To ask Mr Chancellor of the Exchequer, pursuant to the Prime Minister's oral contribution of 23 October 2017, on funding for contingency plans in preparation for the UK leaving the EU, Official Report, columns 23 to 25, if he will publish the level of funding allocated to each Department and the reasons for that allocation.

Answered by: Elizabeth Truss

26 Oct 2017

As stated in my written Ministerial Statement on the 12th October, the Treasury has committed over £250 million of additional spending in 2017-18 to prepare for Brexit from the Reserve. Departmental allocations will be set out at Supplementary Estimates in the usual way.

3.2 Written Statements

HCWS162: [Spending Authority](#)

Elizabeth Truss

12 Oct 2017

It is important that departments can start spending to prepare for Brexit when they need to do so. Managing Public Money requires that expenditure on new services must rest on specific legislation. However, delaying spend until legislation has reached Royal Assent could jeopardise readiness for Brexit.

To address this, for the small proportion of spending affected, ministers can issue a technical direction, allowing critical spending to be incurred ahead of Royal Assent, whilst ensuring transparency to Parliament.

In these cases, the use of a Direction will be a matter of timing. Departments will still need to ensure spending is in all other respects regular, proper, feasible and good value for money, in the usual way. I have asked my officials to write to all departments explaining this process. They will also write to the Public Accounts Committee - this letter will be published to ensure full transparency.

As confirmed yesterday, by the Prime Minister to the House and by the Chancellor to the Treasury Committee, the Treasury has committed over £250 million of additional spending in 2017-18 to prepare for Brexit from the Reserve. Departmental allocations will be set out at Supplementary Estimates in the usual way. An update on Brexit spending will also be provided at the Autumn Budget.

3.3 Debates

On 29 November 2017, Chris Leslie MP was granted an Urgent Question “to ask the Chancellor of the Exchequer to update the House on the expected costs of exiting the European Union.”⁷ In the ensuing debate, Chief Secretary to the Treasury Liz Truss said “In the Budget, we have set aside £3 billion, in addition to the £700 million that we have already allocated, to make sure that our country is fully prepared for all eventualities.”

⁷ [HC Deb 29 November 2017 c327](#)

4. Press Articles

Financial Times, [Budget 2017: Hammond ramps up spending on Brexit preparations](#), 22 November 2017

Chancellor Philip Hammond has sought to head off claims by Eurosceptic Conservative MPs that he has failed to adequately prepare for Britain's departure from the EU by committing an extra £3bn to the UK's Brexit planning.

Fortune, [The U.K. Is Spending \\$4 Billion Just to Get Ready for Brexit](#), 22 November 2017

The U.K. is setting aside 3 billion pounds (\$3.98 billion) on preparing for Brexit over the next 18 months—and that's just before it pays the EU a penny in its controversial 'divorce settlement'.

Treasury chief Philip Hammond outlined the new provisions in his annual budget statement to the House of Commons Wednesday, and said he would allocate "more if necessary."

City A.M., [We need a Budget that enables departments to plan for Brexit](#), 20 November 2017 [Opinion piece by Jill Rutter, programme director at the Institute for Government]

The chancellor has said remarkably little about Brexit in his fiscal events to date.

The November Budget needs to put Brexit spending on a firmer footing.

But it will also be interesting to see whether the government – and the Office for Budget Responsibility (OBR) – give more information on the wider impact on the public finances.

Independent, [Brexit: Government spending millions on preparation for no deal, minister admits](#), 24 October 2017

The Government is preparing for a no deal with the EU with over £250m having already been pledged this year for exit preparations - including leaving without an agreement - a Brexit minister has said.

Guardian, [Hammond to set out Brexit spending breakdown ahead of budget](#), 11 October 2017

Philip Hammond will publish a breakdown of spending on Brexit preparations before next month's budget, amid growing pressure from pro-leave backbench MPs to show the government is serious about preparing for "no deal".

BBC News, [Brexit: UK to wait until 'last moment' to spend on 'no deal' plan](#), 11 October 2017

Taxpayers' money will not be spent on preparing for a "no-deal" Brexit until the "very last moment", Chancellor Philip Hammond has suggested.

He said he was preparing for "no deal" and all other outcomes and would make money available when needed.

But he said he wouldn't take money from other areas, like health or education, now just to "send a message" to the EU.

5. Further reading

5.1 Library briefings

[Revised Government spending plans for 2017-18](#), 12 February 2018

[Public spending: New debates in the House](#), 24 January 2018

[Public spending: a brief introduction](#), 20 July 2017

[The Estimates process and 2017-18 Main Estimates](#), 30 June 2017

5.2 External articles

NAO, [A Short Guide to the Department for Exiting the European Union](#), 15 November 2017

Institute for Government, [How will Brexit affect the Budget?](#), 7 March 2017

Institute for Government, [The civil service after Article 50](#), March 2017

Institute for Government, [Whitehall's preparation for the UK's exit from the EU](#), December 2016

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