



## NEWS

# Covid-19: UK's response has so far cost "unprecedented" £124.3bn

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The UK's response to the covid-19 pandemic has so far cost the government over £124.3bn (€138.8bn; \$152.1bn), according to the spending watchdog,<sup>1</sup> close to the £140.4bn budget for the Department of Health and Social Care in England for 2019-20.<sup>2</sup>

The money covers the main actions taken by the UK government in England, funding to devolved administrations up to 4 May 2020, and subsequent large funding commitments, says a report from the National Audit Office (NAO).

Some £82.2bn was for schemes for businesses—such as job retention and loans—and £19.5bn went towards benefits, sick pay, and support for vulnerable people.

Spending on health and social care measures for equipment, testing services, and vaccine development, among other things, amounted to £6.6bn, although this figure does not include £13.4bn of NHS debt written off from 1 April 2020.

The commitment for public services and the wider emergency response—including funding for local government, education, and children's services—totalled £15.8bn. And the commitment for other support, such as public information campaigns, was £2m.

## Health and social care

Of the £6.6bn commitments for health and social care, £4bn has been allocated for the supply of personal protective equipment up to the end of July 2020, £1.3bn has been committed to support discharge from the NHS, and up to £454m to support the design and manufacture of ventilators. Allocations of £25m were made for rapid research response—including vaccine development, drug repurposing, and diagnosis—and £6m for the contact tracing app. Some £5m was committed to mental health funding. Specific cost estimates were not yet available for testing, treatment costs, and staffing levels (including the seven Nightingale hospitals), or for procurement of medical equipment.

## Local authorities

The NAO noted the significant role of local authorities across all response areas. Of the £15.8bn support for public services and the emergency response to covid-19, £3.2bn has been allocated to support pressures across local services, including the adult social care workforce and public health services. An additional £713m has been committed to tackle the spread of covid-19 in care homes.

"The scale and nature of the pandemic and the government's response is unprecedented in recent history," said Gareth Davies, head of the NAO.

He said that the report would form the basis of a substantial programme of independent reports from his office on how the money has been spent and the lessons learnt.

NAO noted that many costs are not yet final, and that limitations include overlap between covid-19 additional funding and costs that are "business as usual." It also said that the figures may not represent how much additional funding to departments and devolved administrations will eventually be needed, as some measures will be deliverable by reprioritising existing resources.

**Correction:** On 2 June 2020 we corrected the currency conversion in the first paragraph.

- 1 National Audit Office. Overview of the UK government's response to the covid-19 pandemic. 21 May 2020. [www.nao.org.uk/work-in-progress/summary-of-uk-governments-response-to-the-covid-19-pandemic](http://www.nao.org.uk/work-in-progress/summary-of-uk-governments-response-to-the-covid-19-pandemic).
- 2 King's Fund. The NHS budget and how it has changed. 13 March 2020. [www.kingsfund.org.uk/projects/nhs-in-a-nutshell/nhs-budget](http://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/nhs-budget).

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