

**Central Government Supply Estimates 2006-07
Spring Supplementary Estimates**

HC 293 (06/07)

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CORRECTIONS

The year in the heading at the top of pages 3 and 7-16 in 'Section 1. Introduction' should be:

Spring Supplementary Estimates, 2006-07

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Central Government
Supply Estimates 2006-07
Spring Supplementary Estimates

February 2007



HM TREASURY

Central Government Supply Estimates 2006-07

Spring Supplementary Estimates

for the year ending 31 March 2007

*Presented by Command of Her Majesty
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TREASURY CHAMBERS
20 February 2007

JOHN HEALEY

Section 1.

Introduction

1. Supply Estimates are the means by which the Government seeks from Parliament sufficient funds and fresh parliamentary authority for the bulk of its own expenditure each year. A full description of Supply Estimates was included in the Main Estimates (*HC 1035*) presented to Parliament on 2 May 2006.

Supplementary, New and Revised Estimates

2. In the course of the year, the Government may need to ask Parliament for additional resources and/or cash. Accordingly, there are up to three occasions for presenting Supplementary Estimates to the House of Commons: in June (summer), November (winter) and February (spring). Revised Estimates may also be presented in the summer round to replace the corresponding Main Estimates before Parliament formally approves them; Revised Estimates normally reduce the amount sought in the original Estimates or vary the way in which it is spent. New Estimates may also be introduced in the course of the year and are usually presented at the same time as Supplementary Estimates.

Total Estimates to Date

3. For the current year, Main Estimates for each department were presented to Parliament on 2 May 2006 and winter Supplementary Estimates were presented on 21 November 2006.

4. The spring Supplementary Estimates presented to Parliament in this booklet increase resources by **£7,068,574,000** to **£412,099,551,000** and cash by **£7,656,028,000** to **£388,668,410,000**.

Table 1.1 Total Estimates to date		£ million
	Resources	Cash
Main Estimates (<i>HC 1035, 1037, 1038 and 1039 of 2005-06</i>)	398,746	373,181
Winter Supplementary Estimates and New Estimates (<i>HC2 and HC7</i>)	6,285	7,830
Spring Supplementary Estimates (<i>HC293</i>) (Section 2 of these booklets)	7,069	7,656
Total	412,100	388,668

5. There are 42 Supplementary Estimates seeking increases in resources and/or cash and these are shown in **Table 1.3**.

Public Expenditure: Total Managed Expenditure

6. The main aggregate for public expenditure control is Total Managed Expenditure, which includes Departmental Limits (DEL), for which firm three year plans were set in the 2004 Spending Review, and Annually Managed Expenditure (AME), which is subject to annual review as part of the Budget process. These definitions are explained in more detail in Chapter 1 of *Public Expenditure: Statistical Analyses 2006 (Cm 6811)* and in Section 2 of *Central Government Supply Estimates: 2006–07 Supplementary Budgetary Information (Cm 6771)*.

7. Most Supply expenditure is included within either DEL or AME. The main elements of DEL and AME not funded through Supply Estimates are central government expenditure funded directly from other sources (such as the National Insurance Fund), credit approvals issued by central government to local authorities, the resource consumption of devolved administrations and of public corporations and non-departmental public bodies (NDPBs).

8. The net effect of the Estimates within this booklet and associated non-voted increases on the main control aggregates is shown in **Table 1.2**. Of the increase in DEL, £2,662 million will be charged to the DEL Reserve. Of this, £1,266 million relates to partial take up of the end year flexibility entitlements shown in **Table 5** of the *Public Expenditure Outturn White Paper 2005–06 (Cm 6883)*, published on 20 July 2006.

Table 1.2 Expenditure within the main control aggregates		£ million
	Resources	Capital
Change in DEL	2,830	-352
Change in Departmental AME	2,818	523
Change in non-budget spending	31	–
Total	5,679	171

Departmental Expenditure Limits

9. Individual DELs operate as limits on spending at the departmental level covering both voted and non-voted provision. An explanation of the operation of DELs and the DEL figures, capital and resource, for 2006–07 were set out in Section 2 of *Central Government Supply Estimates 2006–07 – Supplementary Budgetary Information (Cm 6771)*. The presumption is that DELs, once set, will not be changed (other than for transfer of provision between DELs, take-up of end year flexibility, etc), even if there are unexpected fluctuations in costs or other determinants of expenditure.

10. Aside from transfers, EYF take-up, etc, decisions to make substantive changes to DELs usually only arise where there has been a policy decision to make a significant change in a particular service. Changes will be announced to Parliament as soon as possible after the decision has been taken. Details of the announcement appear in the Notes to the relevant Estimate and are summarised in **Table 1.4**.

Administration Budgets

11. **Table 1.5** in the Appendix shows the changes to individual departments' administration budgets agreed since they were published in Table 2.3 of *Cm 6771* and amended in Table 1.6 of *HC2*.

Parliamentary Procedure

12. Supplementary Estimates seek funds for expenditure in addition to that sought in previous Supply Estimates for the same financial year. They may be presented:

- (a) to seek authority, and additional resources and/or cash as necessary, for any new services;
- (b) to increase the provision for existing services;
- (c) to increase net resources if a shortfall is expected in income appropriated in aid; or
- (d) to increase appropriations in aid.

13. The House of Commons has an opportunity to debate and vote on Supplementary and, where applicable, New and Revised Estimates, following detailed examination by departmental Select Committees. This process is described more fully in Section 3 of *HC 1035*.

Format of Supplementary Estimates

14. Each Supplementary Estimate begins with an introduction that explains why changes to existing provision are being sought. The format and organisation of Estimates is explained more fully in Section 2 of *HC 1035*.

15. Part I of each Supplementary Estimate states, as necessary, the additional amounts of resources, and cash sought for the financial year. It also reproduces the “ambit”, which is a formal description of all the services (not just any new services) to be financed from the Estimate.

16. Part II of the Supplementary contains three tables. The first table identifies the Sections within each Request for Resources where changes are being proposed and also shows movements in capital and cash. This is followed by a reproduction of the original Main Estimate Part II table showing the revised subhead detail including the additional provision sought for each subhead (including unchanged subheads) as a result of the Supplementary. The third table shows a reconciliation between the net resource total and the net cash requirement.

17. Part III of the Estimate shows, as necessary, any changes to the income and/or receipts which are not appropriated in aid of expenditure but are paid into the Consolidated Fund.

18. Each Supplementary Estimate is supported by a Forecast Operating Cost Statement and Notes broadly analogous to those appended to the Main Estimates, either restated or updated. Individual select committees may of course request additional department-specific explanatory information to supplement this material.

Appropriations in Aid

19. A Treasury Minute under the Government Resources and Accounts Act 2000 has today been laid before Parliament directing the use as appropriations in aid of such sums shown in the Estimates as would otherwise have been required to be surrendered to the Consolidated Fund. The source of all types of income to be appropriated in aid is shown in the form of a Note to each Estimate.

Symbols

20. For convenience the symbols used throughout departmental Estimates are reproduced below.

Public Expenditure:

- Φ Income which is classified as negative expenditure in Resource Budget: DEL or Capital Budget: DEL in respect of income from capital receipts including asset sales and which is, exceptionally, surrendered to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- △ Income which is classified as negative expenditure in Resource Budget: AME or Capital Budget: AME and which is, exceptionally, surrendered direct to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- Extra income which is classified as outside of budgets and is surrendered direct to the Consolidated Fund as extra receipts

Accounting and audit arrangements for grants in aid and certain subscriptions, etc, to international organisations:

- ♥ The accounts of this body are audited by the Comptroller and Auditor General and presented to Parliament
- ◆ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament. The books and accounts are also open to inspection by the Comptroller and Auditor General
- ♠ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament

Appendix

Table 1.3: Supplementary Estimates by department**£'000s**

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Department for Education and Skills	58,806,980	241,079	59,048,059	60,783,416	95,501	60,878,917
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills	57,005,836	356,460	57,362,296			
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,655,568	-115,601	1,539,967			
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	145,576	220	145,796			
Teachers' Pension Scheme (England & Wales)	8,446,510	130,066	8,576,576	1,289,519	-	1,289,519
RfR 1: Teachers' pensions	8,446,510	130,066	8,576,576			
Office of Her Majesty's Chief Inspector of Schools in England	204,000	210	204,210	201,939	7,803	209,742
RfR 1: Improving the quality and standards of education and childcare through independent inspection regulation and advice	204,000	210	204,210			
Department of Health	65,243,242	94,395	65,337,637	65,990,362	1	65,990,363
RfR 1: Securing health care for those who need it	61,874,186	1	61,874,187			
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,356,732	94,144	3,450,876			
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	12,324	250	12,574			
National Health Service Pension Scheme	10,181,933	107,073	10,289,006	1	-	1
RfR 1: National Health Service Pension Scheme	10,181,933	107,073	10,289,006			
Department for Transport	13,115,360	849,010	13,964,370	11,199,801	533,764	11,733,565
RfR 1: Promoting transport that works for everybody	13,115,360	849,010	13,964,370			
Office of Rail Regulation	2	-	2	1	68	69
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation	2	-	2			

Table 1.3: Supplementary Estimates by department**£'000s**

RfR Service	Resources			Cash		
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement
Department for Communities and Local Government	33,409,613	133,974	33,543,587	33,425,650	216,227	33,641,877
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	9,570,406	103,386	9,673,792			
RfR 2: Providing for effective devolved decision making within a national framework	23,839,207	30,588	23,869,795			
Deputy Prime Minister's Office	1,960	587	2,547	1,940	587	2,527
RfR 1: Supporting the Deputy Prime Minister in carrying out his ministerial responsibilities	1,960	587	2,547			
Home Office	14,124,189	76,858	14,201,047	14,229,684	168,213	14,397,897
RfR 1: Building a safe, just and tolerant society	14,124,189	76,858	14,201,047			
Assets Recovery Agency	15,552	1	15,553	16,163	900	17,063
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	15,552	1	15,553			
Charity Commission	30,243	900	31,143	30,541	900	31,441
RfR 1: Giving the public confidence in the integrity of charity	30,243	900	31,143			
Department for Constitutional Affairs	39,064,114	1,019,531	40,083,645	39,014,074	988,204	40,002,278
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	3,794,161	45,175	3,839,336			
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	22,896,846	1	22,896,847			
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	12,373,107	974,355	13,347,462			
Northern Ireland Court Service	132,504	454	132,958	122,511	454	122,965
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	132,504	454	132,958			

Table 1.3: Supplementary Estimates by department							£'000s
RfR Service	Resources			Cash			
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement	
The National Archives	43,833	500	44,333	39,862	-	39,862	
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	43,833	500	44,333				
The Crown Prosecution Service	614,824	6,518	621,342	615,362	6,518	621,880	
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	614,824	6,518	621,342				
HM Procurator General and Treasury Solicitor	13,169	1,391	14,560	16,519	1,391	17,910	
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	13,169	1,391	14,560				
Revenue & Customs Prosecutions Office	37,186	1	37,187	37,186	6,327	43,513	
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	37,186	1	37,187				
Ministry of Defence	34,231,115	593,274	34,824,389	33,195,920	550,331	33,746,251	
RfR 1: Provision of defence capability	32,106,128	243,074	32,349,202				
RfR 2: Conflict prevention	1,087,326	340,200	1,427,526				
RfR 3: War Pensions and Allowances, etc	1,037,661	10,000	1,047,661				
Armed Forces retired pay, pensions etc	4,588,662	1	4,588,653	1,584,369	20,000	1,604,369	
RfR 1: Armed Forces retired pay, pensions etc	4,588,662	1	4,588,653				
Foreign and Commonwealth Office	1,872,609	110,704	1,983,313	1,824,493	127,480	1,951,973	
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,579,735	38,048	1,617,783				
RfR 2: Conflict prevention	292,874	72,656	365,530				
Department for International Development	4,537,750	198,812	4,736,562	4,277,984	7,055	4,285,039	
RfR 1: Eliminating poverty in poorer countries	4,498,620	197,727	4,696,347				
RfR 2: Conflict prevention	39,130	1,085	40,215				

Table 1.3: Supplementary Estimates by department							£'000s
RfR Service	Resources			Cash			
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement	
Department of Trade and Industry	6,451,993	372,659	6,824,652	8,066,248	823,880	8,890,128	
RfR 1: Increasing UK competitiveness	3,358,011	331,536	3,689,547				
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	3,093,982	41,123	3,135,105				
UK Trade & Investment	95,328	1	95,329	96,588	2,000	98,588	
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	95,328	1	95,329				
Department of Trade and Industry: UKAEA pension schemes	207,198	40,515	247,713	66,561	4,387	70,948	
RfR 1: Effective management of UKAEA pension schemes	207,198	40,515	247,713				
Office of Fair Trading	75,983	1,900	77,883	74,491	3,200	77,691	
RfR 1: Advancing and safeguarding the economic interests of UK consumers	75,983	1,900	77,883				
Office of Gas and Electricity Markets	702	1	703	7,616	1	7,617	
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry	2	1	3				
RfR 2: Expenditure in connection with the Climate Change Levy	700	-	700				
Department for Environment, Food and Rural Affairs	6,021,967	333,625	6,355,592	6,014,691	1,228,625	7,243,316	
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible	6,021,967	333,625	6,355,592				
Water Services Regulation Authority	2	157	159	828	-	828	
RfR 1: Regulation of the Water Industry	2	157	159				
Department for Culture, Media and Sport	4,474,882	6,979	4,481,861	4,476,219	19,188	4,495,407	
RfR 1: Improving the quality of life through cultural and sporting activities	1,714,882	6,979	1,721,861				
RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting	2,760,000	-	2,760,000				

Table 1.3: Supplementary Estimates by department							£'000s
RfR Service	Resources			Cash			
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement	
Department for Work and Pensions	63,242,116	2,329,879	65,571,995	63,785,126	2,299,395	66,084,521	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	407,912	92,420	500,332				
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	34,776,468	3,118,599	37,895,067				
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	11,008,070	191,003	11,199,073				
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	14,954,504	187,377	15,141,881				
RfR 5: Corporate contracts and support services	2,095,162	-1,259,520	835,642				
Northern Ireland Office	11,232,796	75,247	11,308,043	11,406,040	65,695	11,471,735	
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	1,222,795	75,247	1,298,042				
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000	10,010,001	-	10,010,001				
HM Treasury	323,942	1	323,943	229,040	-	229,040	
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	244,495	-17,500	226,995				
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	38,748	11,501	50,249				
RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis	40,699	6,000	46,699				
HM Revenue & Customs	14,958,236	128,799	15,087,035	15,015,046	355,429	15,370,475	
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	4,451,902	114,261	4,566,163				
RfR 2: Growing a contribution to the good management of property where the public interest is involved	1	-	1				
RfR 3: Providing payments in lieu of tax relief to certain bodies	78,000	4,000	82,000				
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	36,871	-	36,871				
RfR 5: Payments of Child Benefit and Child Trust Fund endowments	10,391,462	10,538	10,402,000				

Table 1.3: Supplementary Estimates by department							£'000s
RfR Service	Resources			Cash			
	Present Net Provision	Increase Proposed	New Net Provision	Present Requirement	Increase Proposed	New Requirement	
Office for National Statistics	161,846	34,279	196,125	166,983	3,977	170,960	
RfR 1: Providing statistical and registration services	161,846	34,279	196,125				
Cabinet Office	367,484	92,793	460,277	341,123	35,165	376,288	
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	367,484	92,793	460,277				
Security and Intelligence Agencies	1,378,883	68,453	1,447,336	1,442,630	73,025	1,515,655	
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,378,883	68,453	1,447,336				
Cabinet Office: Civil superannuation	6,044,596	6,000	6,050,596	830,000	-	830,000	
RfR 1: Civil superannuation	6,044,596	6,000	6,050,596				
National School of Government	640	1,636	2,276	841	1,636	2,477	
RfR 1: To be a centre of excellence for learning and development in support of the strategic business priorities of government	640	1,636	2,276				
Privy Council Office	6,767	311	7,078	8,357	-	8,357	
RfR 1: Ensuring the orderly conduct of Privy Council Office business	6,767	311	7,078				
House of Lords	113,588	-	113,588	82,545	1	82,546	
RfR 1: Members' expenses and administration, etc.	113,588	-	113,588				
House of Commons: Members	147,000	10,000	157,000	149,500	8,700	158,200	
RfR 1: Members' salaries, allowances and other costs	147,000	10,000	157,000				
TOTAL		7,068,574			7,656,028		

Departmental Group	Resources				Capital			
	DEL change	New DEL	of which Voted	Non voted	DEL change	New DEL	of which Voted	Non voted
Department for Education and Skills (1)	126,938	53,462,998	36,464,682	16,998,316	12,124	6,279,054	3,800,332	2,478,722
Department of Health (2)	-5,700	81,999,269	81,908,646	90,623	187	5,316,202	1,835,125	3,481,077
Department for Transport	894,235	7,786,792	7,244,850	541,942	-702,013	6,684,164	4,645,852	2,038,312
Office of Rail Regulation	-	2	2	-	750	1,250	1,250	-
DCLG Main	-	3,646,895	3,497,677	149,218	-	5,771,247	2,152,622	3,618,625
DCLG (LG)	-	22,538,291	22,432,618	105,673	-	265,385	256,885	8,500
Deputy Prime Minister's Office	527	2,547	2,547	-	-	-	-	-
Home Office	134,282	13,177,742	11,044,497	2,133,245	80,684	1,337,924	1,019,727	318,197
Assets Recovery Agency	1	15,553	15,553	-	-	-	-	-
Charity Commission	900	31,143	31,143	-	-	1,399	1,399	-
Department for Constitutional Affairs (3)	41,206	4,044,750	1,797,623	2,247,127	-395	191,299	189,299	2,000
Law Officers Departments (4)	7,090	717,558	717,558	-	-	15,400	15,400	-
Ministry of Defence	300,530	34,104,047	33,553,497	550,550	89,000	7,447,660	7,446,916	744
Foreign and Commonwealth Office	88,704	1,969,126	1,924,913	44,213	8,776	158,779	157,779	1,000
Department for International Development	57,216	5,017,691	4,352,691	665,000	-	20,000	20,000	-
Department of Trade and Industry (5)	105,617	5,718,681	-447,919	6,166,600	29,367	1,292,758	-282,271	1,575,029
UK Trade & Investment	1	95,329	95,329	-	-	248	248	-
Export Credits Guarantee Department	-	472	472	-	-	380	380	-
Office of Fair Trading	1,900	77,883	77,883	-	1,300	2,698	2,698	-
Office of Gas and Electricity Markets	1	703	703	-	-	950	950	-
Postal Services Commission	-	1	1	-	-	190	190	-
Department for the Environment, Food and Rural Affairs	388,898	3,194,683	4,801,242	-1,606,559	-	896,226	691,659	204,567
Forestry Commission	-	85,809	83,156	2,653	-	90	790	-700
Water Services Regulation Authority	-	2	2	-	155	716	716	-
Department of Culture, Media and Sport	36,474	1,584,670	179,519	1,405,151	22,295	379,832	38,759	341,073
Department for Work and Pensions	234,841	7,992,779	6,784,298	1,208,481	43,473	222,955	222,235	720
Scottish Executive	-1,585	22,201,749	-	22,201,749	-	2,941,979	-	2,941,979
National Assembly for Wales	71,684	11,731,873	-	11,731,873	-43,000	1,385,629	-	1,385,629
Northern Ireland Office	67,350	1,281,828	-	978,092	24	85,329	45,496	39,833
Northern Ireland Executive	97,254	7,229,457	-	7,229,457	-15,816	930,063	-	930,063
HM Treasury	-6,939	240,660	219,695	20,965	-	7,200	7,200	-
HM Revenue & Customs	67,596	4,619,102	4,271,163	347,939	30,913	338,331	338,331	-
National Savings and Investment	-	179,294	179,294	-	-	500	500	-
Office for National Statistics	28,279	196,902	196,125	777	-	27,580	35,542	-7,962
Government Actuary's Department	-	618	618	-	-	228	228	-
Cabinet Office (6)	14,080	360,613	316,425	44,188	80,756	138,878	138,828	50
Security and Intelligence Agency	74,953	1,461,836	1,447,336	14,500	1,600	274,490	266,490	8,000
Privy Council Office	311	7,078	7,078	-	-	127	127	-
Office of the Parliamentary Commissioner and Health Service Commissioners	-	23,821	23,641	180	-	4,994	4,994	-
House of Lords	-6,639	106,422	106,422	-	6,639	12,865	12,865	-
House of Commons, Members salaries	10,000	157,000	157,000	-	1,000	2,200	2,200	-
House of Commons: administration	-	227,800	227,800	-	-	17,240	17,240	-
National Audit Office	-	71,386	71,204	182	-	2,120	2,120	-
Electoral Commission	-	26,180	26,180	-	-	1,195	1,195	-
Total	2,830,005	297,389,035	223,813,164	73,272,135	-352,181	42,457,754	23,092,296	19,365,458

(1) Includes Sure Start and the Office of Her Majesty's Chief Inspector of Schools in England.
(2) Includes Food Standards Agency
(3) Includes Department for Constitutional Affairs, Northern Ireland Service, The National Archives, Scotland Office and Wales Office.
(4) Includes Crown Prosecution Service, Serious Fraud Office, HM Procurator General and Treasury Solicitor and Revenue and Customs Prosecutions Office.
(5) Includes Department of Trade and Industry: UKAEA pension schemes
(6) Includes Central Office of Information and National School of Government.

Table 1.5 Central Government Departments: changes in 2006-07 Administration Budgets £'000

Department	Present Administration Budget	Change in Administration Budget	Revised Administration Budget
Department for Education and Skills	244,091	5,500	249,591
Office of Her Majesty's Chief Inspector of Schools in England	28,470	-	28,470
Department of Health	227,319	12,259	239,578
Food Standards Agency	52,316	-	52,316
Department for Transport	264,722	-1,552	263,170
Office of Rail Regulation	2	-	2
Department for Communities and Local Government	318,647	5,852	324,499
Deputy Prime Minister's Office	1,960	587	2,547
Home Office	573,636	36,661	610,297
Assets Recovery Agency	3,897	-	3,897
Charity Commission	30,243	900	31,143
Department for Constitutional Affairs	529,557	1,849	531,406
Northern Ireland Court Service	2,311	-500	1,811
The National Archives	42,605	500	43,105
Crown Prosecution Service	57,953	-538	57,415
Serious Fraud Office	30,189	-	30,189
HM Procurator General and Treasury Solicitor	10,472	1,391	11,863
Revenue and Customs Prosecutions Office	18,713	-820	17,893
Foreign and Commonwealth Office	905,942	-21,111	884,831
Department for International Development	235,000	30,012	265,012
Department of Trade and Industry	336,084	797	336,881
Office of Fair Trading	73,933	1,900	75,833
Office of Gas and Electricity Markets	492	1	493
Postal Services Commission	1	-	1
Department for Environment, Food and Rural Affairs	285,458	50,000	335,458
Water Services Regulation Authority	1	-	1
Department for Culture, Media and Sport	53,270	-	53,270
Department for Work and Pensions	5,827,134	225,465	6,052,599
Northern Ireland Office	91,756	12,465	104,221
HM Treasury	167,794	-4,465	163,329
HM Revenue and Customs	4,492,263	31,230	4,523,493
National Savings and Investments	179,294	-	179,294
Office for National Statistics	168,423	22,993	191,416
Government Actuary's Department	618	-	618
Cabinet Office	219,392	-351	219,041
Security and Intelligence Agencies	752,377	55,322	807,699
National School of Government	640	1,636	2,276
Privy Council Office	6,767	311	7,078
Total	16,233,742	468,294	16,702,036

Section 2.

Supplementary Estimates

Department for Education and Skills

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills

Increases:

Take up of End Year Flexibility

Programme Resource

In section G £100,000,000 non-cash for Student Fee Loans RAB charge (£70,000,000), for Student Loans RAB charge (£30,000,000). In section S £16,500,000 non-cash for Adult Learning Inspectorate provisions (£4,500,000), for Qualifications and Curriculum Authority (£12,000,000).

116,500,000

Programme Capital

In section A £7,851,000 for Cybrarian (Capital Modernisation Fund); in section F £113,000 for ISB Construction Industry Training Board.

7,964,000

Administration Resource

In section A £5,500,000 near-cash for Departmental Administration Costs.

5,500,000

Resource Transfer from RfR2

A transfer from section A £97,975,000 to central services (£11,500,000), for the early years data collection pilot (£100,000), for early years foundation stage (£2,500,000), for child contact centres (£1,500,000), for early years national travellers programme (£50,000), for nursery education extension funding (£82,325,000); from Section B to central services £17,073,000).

115,048,000

Other Increases

Increases funded by transfer of budgetary cover to non-budget section R £10,669,000 from the Department of Health for pension indexation (£5,669,000) from the Department for Communities and Local Government for the combined universities of Cornwall (£5,000,000), to section F from the Home Office for offender education £604,000.

11,273,000

Transfer from Departmental Unallocated Provision

Transfer from non-voted unallocated provision £29,951,000 to section A voted central services.

29,951,000

Draw down of ISB

A transfer from central funds of £72,000 ISB for Special Education Needs for Dyslexia resource ISB 150.

72,000

Increases to NDPB Cash Requirement

Increase in section P £18,493,000 for the Schools Food Trust (£7,000,000), for the Training and Development Agency for Schools (£5,000,000), for Partnerships for Schools (£6,493,000); in section R £37,899,000 for the Higher Education Funding Council for England; in section S £20,000,000 for the Learning and Skills Council.

76,392,000

Decreases:Reduction to finance increase in RfR3

Transfer to RFR3 section B £220,000 for Children's Fund loan repayment.	-220,000
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Other Decreases

Decrease to fund budgetary transfers in section C to the Office for Standards in Education £393,000 for the start up costs of OFSTED Childcare register; in section F to the Home office £947,000 for Prison Education (£173,000) and the refund of Immigration Removal centres (£774,000).	-1,340,000
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Transfer to Non -Voted

Movement from section J £4,680,000 to non-voted capital for a reduction of the capital grants forecast.	-4,680,000
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Neutral Changes:Resource Transfers between sections within the Estimate

Movement from section A £44,658,000 to section P for non budget support for schools and Teachers (£25,523,000), to section N for dedicated School Grants (£19,135,000). From section C £75,276,000 to section Q for non budget support for Children and Families (£905,000), to section L Local Authority support for Children and Families (£45,230,000), to section T support for Local Area Agreements (£16,511,000), to section N for Dedicated school grants (£12,630,000). From section D £169,669,000 to section B support for Schools and Teachers (£102,364,000), to section G support for Students (£5,952,000), to section K support for Higher education (£10,464,000), to section N for Dedicated School Grants (£25,696,000), to section R for non budget Student support (£25,193,000). From section F £75,364,000 to section N for Dedicated school Grants (£3,213,000), to non budget support for Lifelong Learning (£72,151,000). From section H £460,000 to section N Dedicated School Grants. From section I £215,595,000 to section B support for schools and Teachers.

From non voted Unallocated Provision £59,951,000 to section A unallocated provision (£29,951,000) to non budget section R support for Higher Education (£30,000,000).

Capital Transfers between sections within the Estimate

Movement from section D £11,000,000 to non budget section R for Student Support. From section J £29,671,000 to section B support for Schools and Teachers (£19,695,000), to section C support for Children and Families (£109,000), to section M Local Authority support for Children and Families (£8,711,000), to section P non budget support for Schools and Teachers (£51,000), to section R non budget support for Lifelong Learning (£1,105,000).

Increase / Decrease in gross spending offset by Appropriations In Aid

Increase in gross provision and appropriations in aid on section A by £78,000 for General Administration from Other Government Departments; on section D £600,000 for Higher education; on section F £3,159,000 for Further Education and Lifelong Learning; on Non-budget section S for support to Lifelong learning £362,036,000.

Total change in resources for RfR1	356,460,000
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RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

Increases:

Departmental Unallocated Provision

A transfer from unallocated to section A £1,327,000 for current grants. 1,327,000

Decreases:

Reduced Spending and Resource Transfer to RfR1

A transfer to section A £28,673,000 from current grants to central services (£28,573,000) from current grants for (£100,000) for the early years data collection pilot; to section B £4,050,000 from local authority current grants to Schools (£2,500,000) for early years foundation stage, (£1,500,000) for child contact centres, (£50,000) for early years national travellers programme; to section N £82,325,000 for nursery education extension funding. -116,928,000

A transfer to non-budget section P for National College for School Leadership £1,880,000 for the professional qualification leadership centre.

Neutral Changes:

Movements between sections within the Estimate

Movement to section A Sure Start current Grants £22,600,000 from section B (£15,700,000) for Local Authority current grants and section E (£6,900,000) Family Unit current grants.

Total change in resources for RfR2 -115,601,000

RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund

Increases:

Increase financed from reduction in RfR1

Transfer from RFR1 section A £220,000 for Children's fund loan repayment. 220,000

Total change in resources for RfR3 220,000

Total change in resources for Estimate 241,079,000

Changes in capital

Increase Section O £1,752,000 Student Loan Payments. 1,752,000

Increase Section O £53,020,000 Student Loan Receipts. -53,020,000

Increase Section O £472,000,000 Student Loans Interest Capitalised. 472,000,000

Total change in capital for Estimate 420,732,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £95,501,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills	†	356,460,000
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	†	-115,601,000
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund		220,000
Total additional net resource requirement		241,079,000
Additional net cash requirement		95,501,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Education and Skills on:

RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills

loans to voluntary aided schools; provision relating to former grant-maintained schools; the Assisted Places Scheme; music and dance schools; support for the Academy of Gifted and Talented Youth; City Technology Colleges; support for Academies; the school curriculum and its assessment; OFSTED inspection reform; education action zones; modernising the teaching profession and other educational services and initiatives; initiatives to write-off student loans to teachers in England and Wales; class size reductions; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; Dedicated School Grants; grants in aid to the National College for School Leadership, the Training and Development Agency for Schools, the British Educational Communications and Technology Agency, the Schools Food Trust, the Qualifications and Curriculum Authority, the Adventure Activities Licensing Authority and the Partnerships for Schools; support for the Centre for Information Learning Technology; support for Teachers TV; capital grants to schools including those through the Standards Fund; the youth service; careers guidance and services including through the Connexions Service including working capital grants and loans for capital purchases; higher, further and other education provision and initiatives, including the Higher Education Innovation Fund, the Science and Research Investment Fund and Higher Education Business Fellows; capital grants to music, dance and other schools; payments for education in prisons and other custodial institutions; student grants; the payment of access funds and education maintenance allowances; the provision of training and assessment programmes for young people and adults; initiatives to improve education, training and qualifications arrangements and access to these; the promotion of enterprise, including Career Development Loans; teacher training initiatives; payments to the Department for Work and Pensions to support the UK subscription to the International Labour Organisation and other international educational programmes; payments to support other international education and skills programmes; costs associated with the UK presidency of the European Union; Millennium Volunteers; payments to the Home Office to support the Criminal Records Bureau and the payment of certain fees; loans and grants to the University for Industry; payments and grants to support personal and children's social services and initiatives relating to teenage pregnancy, hospital and community health services; children, secure accommodation and family policy; family parenting and law grants; Grants in Aid to the Children and Family Court Advisory and Support Service and the Children's Commissioner; payments and grants to support parenting and parenting organisations; grants to support Strengthening Families, Marriages and Relationships; payments to support the Respect Agenda (including Family Intervention); payments to support and develop vetting and barring; payments to the Department for Communities and Local Government to support Local Area Agreements including those for the

Childrens Fund; investments and loans to support PFI; payments related to the Sector Skills Councils; payments to the Arts Council for Arts and Drama initiatives; payments to the Department of Trade and Industry in connection with the Regional Development Agencies and the London Development Agency; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State under the terms of the TEC Licence, to local voluntary, community and business support organisations; the resource consequences of loans to students, reimbursement of fees for qualifying European Community students and post graduate awards; mandatory student awards and their administration; student loans and the cost of sales of the student loans debt; grants to the Royal Anniversary Trust, grants in aid to the Higher Education Funding Council for England, the Learning and Skills Council, the Adult Learning Inspectorate, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency and Sector Skills Development Agency; grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Department's under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

promoting the physical, intellectual and social development of babies and young children; childcare initiatives including quality assurance arrangements, children's centres; the education of under-fives; supporting families and communities; evaluating the programme; Sure Start payments to the Department for Communities and Local Government to support Local Area Agreements; the administration of the Sure Start Unit; and associated non-cash items.

RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund

payments and grants to support people, funding preventative services, primarily for 5 to 13-year-olds, through local partnerships in line with the objectives of the Children's Fund; funding voluntary groups countering social exclusion and poverty amongst children and young people in line with the objectives of the Children's Fund; supporting voluntary groups and other organisations to promote and facilitate consultation, participation and representation of children and young people including the UK youth Parliament; monitoring and evaluating the Children's Fund; and associated non-cash items

The **Department for Education and Skills** will account for this Estimate.

† The reduction in the net resource requirement for RfR 2 of £115,601,000 offset by a reallocation of those resources to RfR1.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Activities to Support all Functions	337,810	27,168	71	27,097	364,907
RfR 1 - B	Support for Schools and Teachers not through Local Education Authorities	1,049,137	341,776	-	341,776	1,390,913
RfR 1 - C	Support for Children and Families not paid through Local Authorities	780,672	-73,510	2,050	-75,560	705,112
RfR 1 - D	Higher Education	282,295	-175,069	600	-175,669	106,626
RfR 1 - F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes	377,835	-73,373	3,159	-76,532	301,303
RfR 1 - G	Support for Students in Higher Education	1,524,939	577,952	472,000	105,952	1,630,891
RfR 1 - H	Compensation to Former College of Education Staff	11,820	-460	-	-460	11,360
RfR 1 - I	Current Grants for Local Education Authorities	4,239,767	-215,595	-	-215,595	4,024,172
RfR 1 - J	Capital Grants for Local Education Authorities to	3,069,591	-34,351	-	-34,351	3,035,240
RfR 1 - K	Higher Education Fees and Awards through Local Education Authorities	1,000	10,464	-	10,464	11,464
RfR 1 - L	Current Grants to Local Authorities to support Children and Families	216,842	45,230	-	45,230	262,072
RfR 1 - M	Capital Grants to Local Authorities to support Children and Families	32,429	8,711	-	8,711	41,140
RfR 1 - N	Dedicated School Grants	26,477,958	143,459	-	143,459	26,621,417
RfR 1 - P	Grant in Aid to NDPBs supporting Schools	799,487	43,354	-	43,354	842,841
RfR 1 - Q	Grant in Aid to NDPBs supporting Children and Families	106,670	954	-	954	107,624
RfR 1 - R	Loans to Students and Grant in Aid to NDPBs supporting Higher Education	6,884,560	146,150	-	146,150	7,030,710
RfR 1 - S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning	10,970,706	44,969	-	44,969	11,015,675
RfR 1 - T	Current grants to Local Area Agreements to Support Children and Families	121,436	16,511	-	16,511	137,947

Department for Education and Skills

Spring Supplementary Estimate, 2006-07

Total RfR 1	834,340	477,880	356,460
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RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

Spending in Departmental Expenditure Limits (DEL)

RfR 2 - A	Sure Start Current grants not through Local Authorities	149,602	-75,928	-	-75,928	73,674
RfR 2 - B	LA Current Grants	848,855	-32,773	-	-32,773	816,082
RfR2 - E	Sure Start Schools Current Grants not through Local Authorities	31,760	-6,900	-	-6,900	24,860
Total RfR 2		-115,601	-	-115,601		

RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund

RfR 3 - A	Children's Fund	39,875	-5	-	-5	39,870
RfR 3 - B	LA Current Grants	105,701	225	-	225	105,926
Total RfR 3		220	-	220		

Total Changes to RfRs	718,959	477,880	241,079
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	3,111,418	473,752	3,585,170
Non-Operating A in A	500,833	53,020	553,853
Net cash requirement	60,783,416	95,501	60,878,917

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills								
253,714	300,944	57,602,558	58,157,216	794,920	57,362,296	3,585,170	553,853	
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
A Activities to Support all Functions								
253,714	59,012	62,945	375,671	10,764	364,907	10,170	575	
B Support for Schools and Teachers not through Local Education Authorities								
-	21,911	1,371,383	1,393,294	2,381	1,390,913	-	-	
C Support for Children and Families not paid through Local Authorities								
-	108,820	599,842	708,662	3,550	705,112	-	-	
D Higher Education								
-	30,643	76,692	107,335	709	106,626	-	-	
E Higher Education Receipts from the Department of Trade and Industry								
-	-	-	-	279,118	-279,118	-	-	
F Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes								
-	80,558	234,124	314,682	13,379	301,303	-	-	
G Support for Students in Higher Education								
-	-	2,102,891	2,102,891	472,000	1,630,891	-	-	
H Compensation to Former College of Education Staff								
-	-	11,360	11,360	-	11,360	-	-	
Support for local authorities								
I Current Grants for Local Education Authorities to Support Schools and Teachers								
-	-	4,037,191	4,037,191	13,019	4,024,172	-	-	
J Capital Grants for Local Education Authorities to Support Schools								
-	-	3,035,240	3,035,240	-	3,035,240	-	-	
K Higher Education Fees and Awards through Local Education Authorities								
-	-	11,464	11,464	-	11,464	-	-	
L Current Grants to Local Authorities to support Children and Families								
-	-	262,072	262,072	-	262,072	-	-	
M Capital Grants to Local Authorities to support Children and Families								
-	-	41,140	41,140	-	41,140	-	-	
N Dedicated School Grants								
-	-	26,621,417	26,621,417	-	26,621,417	-	-	
Spending in Annually Managed Expenditure (AME)								
Central Government spending								
O Loans to Students								
-	-	-	-	-	-	3,575,000	553,278	
Non-Budget								
P Grant in Aid to NDPBs supporting Schools								
-	-	842,841	842,841	-	842,841	-	-	
Q Grant in Aid to NDPBs supporting Children and Families								
-	-	107,624	107,624	-	107,624	-	-	
R Loans to Students and Grant in Aid to NDPBs supporting Higher Education								
-	-	7,030,710	7,030,710	-	7,030,710	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning						
-	-	11,015,675	11,015,675	-	11,015,675	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Support for local authorities</i>							
T	Current grants to Local Area Agreements to Support Children and Families						
-	-	137,947	137,947	-	137,947	-	-
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare							
-	1,162	1,538,805	1,539,967	-	1,539,967	-	-
check line (not for printing)			1,539,967		1,539,967		
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Sure Start Current grants not through Local Authorities						
-	1,162	72,512	73,674	-	73,674	-	-
<i>Support for local authorities</i>							
B	LA Current Grants						
-	-	816,082	816,082	-	816,082	-	-
C	LA Capital Grants						
-	-	418,025	418,025	-	418,025	-	-
D	LA Current Grants for Local Area Agreements						
-	-	207,326	207,326	-	207,326	-	-
<i>Central Government spending</i>							
E	Sure Start Schools Current Grants not through Local Authorities						
-	-	24,860	24,860	-	24,860	-	-
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund							
-	305	145,491	145,796	-	145,796	-	-
check line (not for printing)			145,796		145,796		
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Children's Fund						
-	305	39,565	39,870	-	39,870	-	-
<i>Support for local authorities</i>							
B	LA Current Grants						
-	-	105,926	105,926	-	105,926	-	-
Total for Estimate:							
253,714	302,411	59,286,854	59,842,979	794,920	59,048,059	3,585,170	553,853

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	58,806,980	241,079	59,048,059
Voted capital items			
Capital	3,111,418	473,752	3,585,170
<i>Less: Non-operating A in A</i>	<i>500,833</i>	<i>53,020</i>	<i>553,853</i>
Total net voted capital	2,610,585	420,732	3,031,317
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,970	-	-3,970
Depreciation	-9,175	-	-9,175
New provisions and adjustments to previous provisions	-697,830	-572,209	-1,270,039
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-450	-	-450
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-244	7,628	7,384
Increase(-)/decrease (+) in creditors	10,052	-27,829	-17,777
Use of provisions	67,468	26,100	93,568
Total accruals to cash adjustments	-634,149	-566,310	-1,200,459
Excess cash to be CFERd	-	-	-
Net Cash Requirement	60,783,416	95,501	60,878,917

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	80,955	<i>75,300</i>	156,413	<i>75,300</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	80,955	<i>75,300</i>	156,413	<i>75,300</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR 1	249,591
RfR 2	-
RfR 3	-
Total Net Administration Costs	249,591
Net Programme Costs	
RfR 1	57,112,705
RfR 2	1,539,967
RfR 3	145,796
Total Net Programme costs	58,798,468
Total Net Operating Cost	59,048,059
<i>of which:</i>	
Net Resource Requirement	59,048,059
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	53,949,977

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	59,048,059
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	59,048,059
<i>Adjustments to remove:</i>	
capital grants	-3,990,737
European Union income related to capital grants	
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-1,154,645
unallocated resource provision	-
Other adjustments	47,300
Resource Budget (Budget)	53,949,977
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	53,258,788
Annually Managed Expenditure (AME)	691,189

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	3,031,317
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	1,213,040
capital grants	3,990,737
European Union income related to capital grants	-
supported capital expenditure (revenue)	1,042,302
capital spending by levy funded bodies	-
unallocated capital provision	26,907
Other adjustments	-
Capital Budget (Budget)	9,304,303
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,279,571
Annually Managed Expenditure (AME)	3,024,732

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Mr David Bell, Permanent Head of the Department
Request for Resources 2	Mr David Bell, Permanent Head of the Department
Request for Resources 3	Mr David Bell, Permanent Head of the Department

Mr David Bell, Permanent Head of Department as the Accounting Officer of the Department for Education and Skills has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Education and Skills.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills

Administration	4,123
<i>of which:</i>	
Sale of goods and services	4,123
Programme	790,797
<i>of which:</i>	
Sale of goods and services	11,273
EU Income	109
Other grant income (including repayment of grants/subsidies)	284,956
Interest Receivable	472,000
Other income (including receipts)	22,459
	-
Total RfR 1	794,920 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; sale of National Record of Achievement products; receipts in connection with Childcare Link; Training and Enterprise Councils (TECs) contributions towards the cost of Individual Learning Accounts; receipts covering the return of assets from TECs as part of their winding-up process; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Skills Training Agency, Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools and TEC properties; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications; repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund

to cover departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; profits on the sale of surplus equipment and other assets; repayment of fees and awards overpaid to Higher Education students; receipts from the Department of Trade and Industry in connection with the Higher Education Reach Out to Business and the Community Fund, the Higher Education Innovation Fund, Higher Education Business Fellows, Sector Challenge, Knowledge Transfer for Universities and the Science and Research Investment Fund; from the Home Office as a contribution to the Home Start programme; sales of Connexions priced publications; Offender Education Receipts; Activities for Young People receipts; Sponsorship Funding; rent income from three domestic properties on the estate of the European School at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions

from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; receipts for Teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Music Manifesto Champion; Food Standards Agency receipts; and of research and miscellaneous services and projects; inspection of Jobcentre Plus from the Department of Work and Pensions; Strengthening Families receipts from the Home Office; Literacy and Numeracy receipts, London Challenge Receipts; receipts from the Department of Health for Investors in People Healthy Organisation; Student Loan Interest Receivable.

Total Operating A in A	794,920
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills

Programme	553,853
<i>of which:</i>	
Sale of assets	575
Loan, etc, repayments	553,278
Total RfR 1	553,853 †

† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: the repayment of principal on student loans; repayment of loans to former grant-maintained schools and discretionary loans paid under Schedule 3 of the School Standards and Framework Act 1998 and from the sale of surplus land, buildings and equipment.

Total Non - operating A in A	553,853
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision	Receipts
	Income	Receipts
Other Income	-	-
Student Loans Interest Receipts	156,413	75,300
Total	156,413	75,300

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	9,524	117,204	36,260,472	16,998,316	53,258,788
<i>of which:</i>					
Administration budget*	5,500	-	249,591		249,591
Near-cash in RDEL	-562,685	142,267	34,976,838	17,001,924	51,978,762
Capital**	-3,872	17,113	3,800,332	2,479,239	6,279,571
Less Depreciation†	-	-707	-9,175	-26,431	-35,606
Total	5,652	133,610	40,051,629	19,451,124	59,502,753

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
1,348,773

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR 1		
C	Grants to support Marriages and Relationships	1,500
D	Grants to the Royal Anniversary Trust to cover costs associated with the Higher and Further Education Awards Scheme (Queen's Anniversary Prizes)	167
C	Payments to support Respect Family Intervention Projects	6,000

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body		£'000
RfR 1			
P	Adventure Activity Licensing Authority		0.4
P	British Educational Communications and Technology Agency	◆	10.6
P	Partnerships for Schools		6.5
P	National College for Schools Leadership	◆	97.2
P	Schools Food Trust		7.0
P	Training and Development Agency for Schools	♥	721.2
Q	Children and Families Court Advisory and Support Service	♥	104.6
Q	Children's Commissioner	♥	3.0
R	Higher Education Funding Council for England	♥	6,976.0
R	Office For Fair Access	♥	0.5
R	Student Loan Company	◆	54.2
S	Adult Learning Inspectorate	♥	27.1
S	Investors in People UK	◆	5.6
S	Learning and Skills Council	♥	10,666.4
S	Qualifications and Curriculum Authority	♥	150.9
S	Sector Skills Development Agency	◆	75.8
S	Quality Improvement Agency		90.0

Teachers' Pension Scheme (England & Wales)

Introduction

1. This Supplementary Estimate is required for the following purposes:

RfR 1: Teachers' Pensions

Increases:

AME forecast

Gross increase in RFR1 £111,108,000 due to an estimated increase in unwinding (£239,870,000), enhancements (£7,396,000) and past service costs offset by decreases in current service costs (£117,984,000), a decrease in liability for transfers (£16,279,000), and a decrease in other benefits payable not releasing provision (£3,503,000).	111,108,000
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Decreases in Appropriations in Aid £18,958,000 due to decreases in contributions received (£3,506,000) and transfer income (£16,279,000) and offsetting increases in other pension income (£827,000).	18,958,000
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Total change in resources for RfR1	130,066,000
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Total change in resources for Estimate	130,066,000
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2. As a result of the changes above and associated non-cash adjustments, there is no increase in the net cash requirement.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Teachers' Pensions	130,066,000
Total additional net resource requirement	130,066,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Teachers Pension Scheme on:

RfR 1: Teachers' Pensions

Superannuation allowances and gratuities, and other related expenditure, in respect of teachers and the widows, widowers, children and dependants of deceased teachers, and for premature retirement compensation payments made to members of the Teachers' Pension Scheme and on behalf of their employers; and associated non-cash items.

The **Department for Education and Skills** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Teachers' Pensions					
Spending in Annually Managed Expenditure (AME)					
RfR 1 - A Pensions	8,446,510	111,108	-18,958	130,066	8,576,576
Total RfR 1		111,108	-18,958	130,066	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1,289,519	-	1,289,519

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Teachers' Pensions								
-	-	12,747,248	12,747,248	4,170,672	8,576,576	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
<i>A Pensions</i>								
-	-	12,747,248	12,747,248	4,170,672	8,576,576	-	-	
Total for Estimate:								
-	-	12,747,248	12,747,248	4,170,672	8,576,576	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	8,446,510	130,066	8,576,576
Voted capital items			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-12,632,748	-107,739	-12,740,487
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	22,587	-3,719	18,868
Increase(-)/decrease (+) in creditors	-14,459	1,099	-13,360
Use of provisions	5,467,629	-47,325	5,420,304
Total accruals to cash adjustments	-7,156,991	-157,684	-7,314,675
Excess cash to be CFERd	-	27,618	27,618
Net cash requirement	1,289,519	-	1,289,519

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	165	<i>145</i>	139	<i>159</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	<i>27,618</i>
Total	165	<i>145</i>	139	<i>27,777</i>

Forecast Combined Revenue Account

	£'000
	2006-07 provision
Income	
Contributions received	4,085,986
Transfers in	74,626
Other income receivable	10,199
Total Income	<u>4,170,811</u>
Expenditure	
Increase in liability	5,069,617
Interest on scheme liability	7,670,870
Other expenditure	6,761
Total Expenditure	<u>12,747,248</u>
Total Net Operating Cost	8,576,437
<i>of which:</i>	
Net Resource Outturn	8,576,576
CFERs	-139
Non-voted expenditure	-
Resource Budget Outturn	8,576,437

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Outturn (Estimates)	8,576,576
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-139
Other adjustments	-
Net Operating Costs (Accounts)	8,576,437
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	8,576,437
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	8,576,437

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 David Bell, Permanent Head of Department

David Bell, as the Accounting Officer (AO) of the Teachers' Pension Scheme has personal responsibility for the proper presentation of the Teachers' Pension Scheme's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head, in addition to any responsibilities for an assigned RfR, remains in general overall charge of the Teachers' Pension Scheme.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Department for Education and Skills' policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000 2006-07 <u>Provision</u>
RfR 1: Teachers' Pensions	
Programme	4,170,672
<i>of which:</i>	
Pension scheme related income	4,170,811
CFERs	-139
Total RfR 1	4,170,672 †
<p>† Amount that may be applied as appropriations in aid in addition to the net total, arising from: receipts from employers and employees superannuation contributions; transfer values received; deductions from returns of contributions towards payments in lieu of graduated national insurance contributions equivalent premiums; recovery of contributions equivalent premiums from the state pension scheme; amounts received from employers of teachers' scheme members in reimbursement of the cost of premature retirement compensation payments on their behalf by Capita.</p>	
Total Operating A in A	4,170,672

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Over recovery of appropriations in aid :	Δ	139	159
Excess cash surrendered	Δ	-	27,618
Total		139	27,777

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	4,170,672

Office of Her Majesty's Chief Inspector of Schools in England

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice

Increases:

1	Increase of £393,000 (Section A2) for work in relation to the General Childcare Register funded in budgetary terms by a transfer of Resource DEL and Near Cash cover from the Department for Education and Skills	393,000
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Decreases:

1.	Decrease of £183,000 (Section A2) from profit on sale of an asset	-183,000
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Total change in resources for RfR1	210,000
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Total change in resources for Estimate	210,000
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Changes in capital

Decreases:

1	Recognition of Non Operating Appropriations in Aid of £600,000 (Section A7) to be received from the sale of an asset.	-600,000
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Total change in capital for Estimate	-600,000
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2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £7,803,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice	210,000
Total additional net resource requirement	210,000
Additional net cash requirement	7,803,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Office of Her Majesty's Chief Inspector of Schools in England on:

RfR 1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice

The inspection of schools, other educational institutions, early education providers, local education authorities, teacher training (institutions and in-service training) and regulation of childcare for young children as well as the inspection of education for 16 to 19 year olds; and associated non-cash items.

The Office of Her Majesty's Chief Inspector of Schools in England will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration and Inspection	204,000	210	-	210	204,210
Total RfR 1		210	-	210	
Total Changes to RfRs		210	-	210	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	600	-	600
Non-Operating A in A	-	600	600
Net cash requirement	201,939	7,803	209,742

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice								
28,565	179,812	-	208,377	4,167	204,210	600	600	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration and Inspection								
28,565	179,812	-	208,377	4,167	204,210	600	600	
Total for Estimate:								
28,565	179,812	-	208,377	4,167	204,210	600	600	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	204,000	210	204,210
Voted capital items			
Capital	600	-	600
<i>Less:</i> Non-operating A in A	-	600	600
Total net voted capital	600	-600	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-100	-	-100
Depreciation	-2,500	-	-2,500
New provisions and adjustments to previous provisions	-	-1,000	-1,000
Profit/loss on sale of assets	-	183	183
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	88	-	88
Increase(-)/decrease (+) in creditors	-149	-	-149
Use of provisions	-	9,010	9,010
Total accruals to cash adjustments	-2,661	8,193	5,532
Excess cash to be CFERd	-	-	-
Net Cash Requirement	201,939	7,803	209,742

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts)

	Present provision		New provision	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	1	2	1	2
Non-operating income not classified as A in A	-	-	700	700
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	1	2	701	702

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	28,470
Total Net Administration Costs	28,470
Net Programme Costs	
RfR1	175,739
Total Net Programme costs	175,739
Total Net Operating Cost	204,209
<i>of which:</i>	
Net Resource Requirement	204,210
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-1
Resource Budget	204,210

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	204,210
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-1
Net Operating Costs (Accounts)	204,209
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	1
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Resource Budget (Budget)	204,210
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	204,210
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	183
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-700
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Capital Budget (Budget)	-517
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-517
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Christine Gilbert, Permanent Head of the Department

Christine Gilbert as the Accounting Officer of the Office of Her Majesty's Chief Inspector of Schools in England has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Her Majesty's Chief Inspector of Schools in England.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Improving the quality and standards of education and childcare through independent inspection, regulation and advice

Administration	95
<i>of which:</i>	
Sale of goods and services	95
Programme	4,072
<i>of which:</i>	
Sale of goods and services	4,073
CFERs	-1

Total RfR1	4,167 †
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† Amount that may be applied as appropriation in aid in addition to the net total, arising from: recoveries of the cost of staff seconded to other bodies; cost of services provided to other departments, non-departmental public and other bodies; sales and use of official cars and assets, property charges made to minor occupiers, registration fees (including fees from childcare providers); and charges for training of inspectors other than Ofsted staff, and recovery of personal telephone costs; and the sale of training material and licences.

Total Operating A in A	4,167
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Analysis of non- operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR1: Improving the quality and standards of education through independent inspection, regulation and advice

Programme	600
<i>of which:</i>	
Sale of assets	600

Total RfR1	600 †
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† Amount that may be applied as non -operating appropriations in aid in addition to the net total, arising from: sale of buildings and equipment

Total Operating A in A	600
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Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	210	-	204,210	-	204,210
<i>of which:</i>					
Administration budget*	-	-	28,470	-	28,470
Near-cash in RDEL	-607	9,010	200,793	9,010	209,803
Capital**	-600	-517	-	-517	-517
Less Depreciation†	-	-	-2,500	-	-2,500
Total	-390	-517	201,710	-517	201,193

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
4,767

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Department of Health

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Securing health care for those who need it

Increases:

Increased provision - take up of Invest to Save Budget.

£0.810 million.

Section A - Strategic health authority and primary care trusts unified budget and central allocations. 810,000

Funding for invest to save bids agreed in round 8.

Transfer from Non Voted provision.

£651.351 million

Section A - Strategic health authority and primary care trusts unified budget and central allocations. 651,351,000

Take up of departmental unallocated near cash provision (£553 million), including £53 million additional spending following the clarification of the rules for VAT on dispensing doctor services, £200 million initially held in DUP pending the completion of NHS Plans and £300 million following finalisation of central budget plans and allocations to the NHS.

Take up of departmental unallocated non cash provision (£100million) for additional non cash expenditure following a review of the DH asset register offset by a net reduction in non cash NDPB allocations of £1.649 million.

Transfer of budgetary cover from capital to capital grants.

£120.098 million

Section A - Strategic health authority and primary care trusts unified budget and central allocations. 47,983,000

Section F - Strategic health authority and primary care trusts grants to local authorities 72,115,000

Transfer from capital to capital grants to reflect the latest forecast by NHS bodies and central budget of grants to the private sector and local authorities for the funding of their capital spending.

Transfer of budgetary cover from capital to non budget

£18.088 million.

Section H - NDPB grant in aid. 18,088,000

Section A - Strategic health authority and primary care trusts unified budget and central allocations.

Change in the level of capital grant in aid funding of NDPBs outside the resource accounting boundary to take account of the refinement of local plans .

Decreases:Change in the level of Annually Managed Expenditure (AME) provision.

£-6.088 million

Section G - Credit Guarantee Finance.

Change in the forecast level of capital charges 11,603,000

Change in the forecast level of interest on loans. -17,691,000

Other decreases.

£-8.110 million

Section A - Strategic health authority and primary care trusts unified budget and central allocations. -8,110,000

Transfer to the National Assembly of Wales (£2.441 million) for high security psychiatric services, dental SIFT budget and cross border patient flows.

Transfer to the Department of Education and Skills (£-5.669 million) for pensions indexation.

Transfer of budgetary cover to another RfR.

£-67.276 million

Section A - Strategic health authority and primary care trusts unified budget and central allocations. -67,026,000

Transfer to RFR2 to meet agreed pressures on budgets, mainly for increase in the administration programme, grants and grant in aid to NDPBs.

Transfer to RfR3 for additional grant in aid funding for Monitor. -250,000

Increased Appropriations in aid

£708.872 million

Section I- NHS Contributions.

To reflect latest forecast of National Insurance contributions from HM Revenue and Customs -708,872,000

Neutral Changes:Spending offset by changes in level of income

£388.100 million

Section A - Strategic health authority and primary care trusts unified budget and central allocations. 388,100,000

Increased forecast of income mainly as a result of latest estimates from NHS bodies and PCTs for joint financing arrangements with local authorities and other bodies, compensation payments from suppliers and refinement of income forecasts for central budgets. -388,100,000

£3.091 million

Section A - Strategic health authority and primary care trusts unified budget and central 3,091,000

Section H - Trust debt remuneration (TDR). -3,091,000

Change in the level of expected TDR to take account of changes in the NHS.

Reallocation of provision.

£97.047 million

Section A - Strategic health authority and primary care trusts unified budget and central	97,047,000
Section B - Pharmaceutical services.	-153,433,000
Section C - Prescription charges income.	63,286,000
Section D - General dental services.	-27,000,000
Section E - General ophthalmic services.	20,100,000

Reallocation of demand led non discretionary family health service budgets to meet increased expenditure on ophthalmic services, reduced income on prescription charges and a reduction on pharmaceutical services to reflect transfer of services to PCTs and revision of the central budget programme. Changes in the level of closing 2005-06 creditors and debtors for general dental services.

£1.922 million

Section A - Strategic health authority and primary care trusts unified budget and central allocations.	-1,922,000
Section H - NDPBs grant in aid.	1,922,000

To reflect latest budget plans for spending of NHS bodies outside the resource accounting boundary.

Total change in resources for RfR1 1,000

RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

Increases:Transfer of budgetary cover from RfR1.

£9.819 million

Section A - Departmental administration.	9,819,000
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Transfer for agreed increase in the administration budget to reflect retiming of expenditure within the change management programme, offset by a transfer of the prison healthcare budget for staff now working in the NHS.

£0.030 million

Section B - NHS Purchasing and Supplies Authority.	30,000
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To reflect the transfer of the Devises Evaluation Service to PASA and additional superannuation costs.

£22.485 million

Section C - Other services.	22,485,000
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To reflect the fine tuning of budgets within the overall plans.

£-28.898 million.

Section D - Welfare food and EEA medical costs.	-28,898,000
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Transfer due to changes in capital charges and expected level of medical cost direct payments and provisions .

£50.191 million

Section E - Other personal social services.	50,191,000
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To reflect higher priority for personal social services.

£13.399 million.

Section T - NDPB grant in aid.	13,399,000
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Transfer to meet grant in aid funding of bodies outside the resource accounting boundary.

Other increases

£1.6 million	
Section D - Welfare food and EEA medical costs.	1,600,000
Increase in provision for welfare food costs, funded in budgetary terms by a transfer of DEL cover from the Scottish Executive.	

Transfer of budgetary cover from capital to non budget

£25.518 million.	
Section T - NDPB grant in aid.	25,518,000
To reflect increased capital spending following finalisation of budget plans for NHS bodies outside the resource accounting boundary.	

Neutral Changes:Spending offset by changes in level of income

£-8.871 million	
Section A - Departmental administration.	-8,871,000
Reduced income mainly as a result of changes in the accounting arrangements of secondees income, offset by income for national screening committee, audit work, accommodation, and Government Office tariff.	8,871,000

£-4.878 million	
Section C - Other services.	-4,878,000
Reduction in the forecast level of income.	4,878,000

£18.057 million.	
Section D - Welfare food and EEA medical costs.	18,057,000
Increase expenditure on welfare food (£10.5 million) met by contributions from other government departments towards running the welfare food scheme. Reimbursement by EEA member states (£7.557 million) towards the cost of providing treatment.	-18,057,000

£0.127 million	
Section E- Other personal social services.	127,000
Increase in income from grants.	-127,000

£0.940 million	
Section S - Individual budget pilots.	940,000
Increased funding met by a contributions from Department for Work and Pensions towards costs of the pilot schemes.	-940,000

Reallocation of provision.

£0.720 million	
Section E - Other personal social services	835,000
Section S - Individual budget pilots.	-720,000
Section Q- Prevention service pilots: older people	-115,000
Revision of plans for Local Authority grants.	

£0.750 million	
Section L - Access and systems capacity grant.	-750,000
Section T - NDPB grain in aid.	750,000
Transfer to the Commission for Social Care and Inspection for payment of a reimbursement grant.	

Total change in resources for RfR2 94,144,000

RfR 3: Office of the Independent Regulator for NHS Foundation Trusts**Increases:**Transfer of budgetary cover from RfR1.

£0.250 million	250,000
Revised forecasts of funding for Monitor.	

Total change in resources for RfR3	250,000
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Total change in resources for Estimate	94,395,000
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Changes in capital**RfR1: Securing health care for those who need it.****Increases:**Increased provision.

£0.187 million.	187,000
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Section A - Strategic health authority and primary care trusts unified budget and central allocations.
Funding for Invest to save bids.

£490.845 million	490,845,000
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Section H - Issue of Public dividend capital to NHS trusts and foundations trusts.
Change in the level of public dividend capital and loans.

Additional Annually Managed Expenditure (AME) provision.

£11.987 million	11,987,000
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Section G - Credit Guarantee Finance.
Change in the level of capital loans.

Transfer from another RfR.

£0.075 million.	75,000
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Section A - Strategic health authority and primary care trusts unified budget and central allocations.
Transfer from RFR2 following revised forecasts of capital expenditure.

Decreases:Transfer of budgetary cover to non budget from capital

£-18.088 million.	-18,088,000
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Section H - NDPB grant in aid.
Reallocation of budget in line with lower than forecast grant in aid funding.

Transfer of budgetary cover from capital to capital grants.

£-120.098 million	-120,098,000
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Section A - Strategic health authority and primary care trusts unified budget and central allocations.
Transfer from capital to capital grants.

Transfer of budgetary cover from capital to non budget

£-25.518 million.	-25,518,000
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Section A - Strategic health authority and primary care trusts unified budget and central allocations.
Reallocation of grant in aid capital budget meet latest forecast expenditure of NHS bodies outside the resource accounting boundary.

Neutral Changes:Spending offset by changes in level of income

£196.396 million.	196,396,000
Section A - Strategic health authority and primary care trusts unified budget and central allocations. Additional expenditure funded from latest forecast of PCT expected income.	-196,396,000
£998 million.	998,000,000
Section H - Issue of Public dividend capital to NHS trusts and foundations trusts. Change in the level of public dividend capital, loans and repayments.	-998,000,000

RfR2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health.**Decreases:**Transfer from another RfR.

£-0.075 million.	
Section C - Other services (£-0.025 million)	-75,000
Section E - Other personal social services (£-0.050 million)	
Transfer to RfR1 following revision of plans for capital expenditure.	

Total change in capital for Estimate 339,315,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,000
3. Amendment to the list of Accounting Officers, following confirmation that Mr Hugh Taylor is now the permanent accounting officer.
4. Part III shows the additional NHS contributions will be paid over to the Consolidated Fund.
5. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Securing health care for those who need it	1,000
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	94,144,000
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	250,000
Total additional net resource requirement	94,395,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department of Health on:

RfR 1: Securing health care for those who need it

Revenue and capital expenditure for strategic health authorities and primary care trusts under their unified budgets, family health services (including general medical, general ophthalmic, general dental and pharmaceutical services); Public Dividend Capital (PDC) to NHS Trusts and NHS Foundation Trusts, loans to NHS Trusts and NHS Foundation Trusts, education, training, research and development; centrally managed expenditure to and on behalf of the NHS including funding Special Health authorities and other national bodies; forming, investing in or providing loans or guarantees to companies that will provide facilities or services to the NHS, provision of hospital financing for credit guarantee finance pilot projects; payments to local authorities for use in local area agreements; services provided to or on behalf of the Scottish Executive, National Assembly for Wales, and Northern Ireland, and associated non-cash items.

RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

Revenue and capital administration, including certain expenditure on behalf of the Department of Work and Pensions and the National Health Service in England; departmental agencies, centrally funded health and social services (including non-departmental public bodies and special health authorities some of which are administered on a United Kingdom basis); including other local government services, prison health services, medical, scientific and technical services, services for disabled persons, grants to voluntary organisations and other bodies, research and development, information services and health promotion activities; provision of personal social services (including grants to local authorities); payments to local authorities for use in local area agreements; medical treatment given to people from the United Kingdom in the European Economic Area and other countries; welfare food; Home Office inspection of laboratories; grants in aid; payments and subscriptions to international organisations; education and training for all health care professionals (excluding doctors); the Employment Opportunities Fund programme; services provided to or on behalf of the Scottish Executive, National Assembly for Wales, Northern Ireland and the Medicines and Healthcare Products Regulatory Agency, and associated non-cash items.

RfR 3: Office of the Independent Regulator for NHS Foundation Trusts

Grant in aid funding for the Office of the Independent Regulator for NHS Foundation Trusts.

The Department of Health will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Securing health care for those who need it						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Strategic health authorities and primary care trusts unified budgets and central allocations	76,814,936	1,183,189	388,100	795,089	77,610,025
RfR 1 - B	FHS - pharmaceutical services	1,151,704	-153,433	-	-153,433	998,271
RfR 1 - C	FHS - prescription charges income	-463,204	-2,500	-65,786	63,286	-399,918
RfR 1 - D	FHS - general dental services	50,000	-18,000	9,000	-27,000	23,000
RfR 1 - E	FHS - general ophthalmic services	360,900	20,100	-	20,100	381,000
RfR 1 - G	Hospital financing for credit guarantee finance pilot projects and benefits for patients moved from prison to hospital.	-1,951	11,603	17,691	-6,088	-8,039
Non-Budget						
RfR 1 - H	Grant in aid to non-departmental public bodies, NHS trusts and NHS foundation trusts PDC issues and repayments, NHS trusts and NHS foundation trusts loans and repayments and repayment of interest	-853,604	20,010	3,091	16,919	-836,685
RfR 1 - I	NHS contributions	-15,496,383	-	708,872	-708,872	-16,205,255
Total RfR 1			1,060,969	1,060,968	1	

RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

Spending in Departmental Expenditure Limits (DEL)						
RfR 2 - A	Central department	242,354	948	-8,871	9,819	252,173
RfR 2 - B	NHS Purchasing and Supplies Authority	26,799	30	-	30	26,829
RfR 2 - C	Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services	276,020	22,485	-	22,485	298,505
RfR 2 - D	Welfare food and European Economic Area and other countries medical costs	797,000	-9,241	18,057	-27,298	769,702
RfR 2 - E	Other personal social services	107,977	51,153	127	51,026	159,003
RfR 2 - L	Access and systems capacity grant	546,750	-750	-	-750	546,000
RfR 2 - Q	Prevention services pilots : older people	20,000	-115	-	-115	19,885
RfR 2 - S	Individual Budget Pilots	6,000	220	940	-720	5,280

Non-Budget

RfR 2 - T	Grant in Aid funding of non-departmental public bodies and special health authorities	275,619	39,667	-	39,667	315,286
Total RfR 2		104,397		10,253	94,144	

RfR 3: Office of the Independent Regulator for NHS Foundation Trusts

RfR 3 - A	Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts	12,324	250	-	250	12,574
Total RfR 3		250		-	250	

Total Changes to RfRs	1,165,616	1,071,221	94,395
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	4,150,087	1,523,711	5,673,798
Non-Operating A in A	1,305,011	1,184,396	2,489,407
Net cash requirement	65,990,362	1	65,990,363

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Securing health care for those who need it								
-	80,664,312	991,439	81,655,751	19,781,564	61,874,187	5,653,014	2,489,396	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Strategic health authorities and primary care trusts unified budgets and central allocations								
-	79,238,264	421,761	79,660,025	2,050,000	77,610,025	1,917,781	401,396	
B FHS - pharmaceutical services								
-	998,271	-	998,271	-	998,271	-	-	
C FHS - prescription charges income								
-	-	-	-	399,918	-399,918	-	-	
D FHS - general dental services								
-	32,000	-	32,000	9,000	23,000	-	-	
E FHS - general ophthalmic services								
-	381,100	-	381,100	100	381,000	-	-	
<i>Support for local authorities</i>								
F Strategic health authorities and primary care trusts grants to local authorities								
-	-	311,788	311,788	-	311,788	-	-	
Spending in Annually Managed Expenditure (AME)								
G Hospital financing for credit guarantee finance pilot projects and benefits for patients moved from prison to hospital.								
-	14,677	-	14,677	22,716	-8,039	96,191	-	
H Grant in aid to non-departmental public bodies, NHS trusts and NHS foundation trusts PDC issues and repayments, NHS trusts and NHS foundation trusts loans and repayments and repayment of interest								
-	-	257,890	257,890	1,094,575	-836,685	3,639,042	2,088,000	
I NHS contributions								
-	-	-	-	16,205,255	-16,205,255	-	-	
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health								
245,233	1,191,353	2,076,400	3,512,986	62,110	3,450,876	20,784	11	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Central department								
245,233	12,325	270	257,828	5,655	252,173	20,204	11	
B NHS Purchasing and Supplies Authority								
-	27,823	-	27,823	994	26,829	580	-	
C Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services								
-	237,164	70,555	307,719	9,214	298,505	-	-	
Welfare food and European Economic Area and other countries								
D medical costs								
-	814,759	-	814,759	45,057	769,702	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
E	Other personal social services							
-	99,282	59,971	159,253	250	159,003	-	-	
<i>Support for local authorities</i>								
F	AIDS support grant							
-	-	19,600	19,600	-	19,600	-	-	
G	Services for people with a mental illness							
-	-	132,900	132,900	-	132,900	-	-	
H	Carers' grant							
-	-	185,000	185,000	-	185,000	-	-	
I	Preserved rights grant							
-	-	297,565	297,565	-	297,565	-	-	
J	Improving Information management (Capital)							
-	-	25,000	25,000	-	25,000	-	-	
K	National training strategy							
-	-	107,859	107,859	-	107,859	-	-	
L	Access and systems capacity grant							
-	-	546,000	546,000	-	546,000	-	-	
M	Human resources development strategy							
-	-	49,750	49,750	-	49,750	-	-	
N	Children and adolescents mental health grant							
-	-	90,539	90,539	-	90,539	-	-	
O	Delayed discharge grant							
-	-	100,000	100,000	-	100,000	-	-	
P	Assistive technology: older people							
-	-	30,000	30,000	-	30,000	-	-	
Q	Prevention services pilots : older people							
-	-	19,885	19,885	-	19,885	-	-	
R	Extra Care housing grant							
-	-	20,000	20,000	-	20,000	-	-	
S	Individual Budget Pilots							
-	-	6,220	6,220	940	5,280	-	-	
	<i>Residential allowance grant</i>							
-	-	-	-	-	-	-	-	
	<i>Training for social support staff</i>							
-	-	-	-	-	-	-	-	
Non - Budget								
T	Grant in Aid funding of non-departmental public bodies and special health							
-	-	315,286	315,286	-	315,286	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts								
-	-	12,574	12,574	-	12,574	-	-	
Non-Budget								
A Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts								
-	-	12,574	12,574	-	12,574	-	-	
Total for Estimate:								
245,233	81,855,665	3,080,413	85,181,311	19,843,674	65,337,637	5,673,798	2,489,407	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	65,243,242	94,395	65,337,637
Voted capital items			
Capital	4,150,087	1,523,711	5,673,798
<i>Less: Non-operating A in A</i>	<i>1,305,011</i>	<i>1,184,396</i>	<i>2,489,407</i>
Total net voted capital	2,845,076	339,315	3,184,391
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-924,560	-9,995	-934,555
Depreciation	-816,133	-195,622	-1,011,755
New provisions and adjustments to previous provisions	-2,138,561	95,541	-2,043,020
Profit/loss on sale of assets	10	-	10
Prior period adjustments	-	-	-
Other non-cash items	-722	122	-600
Increase(+)/decrease (-) in stock	118,000	-	118,000
Increase(+)/decrease (-) in debtors	139,783	-490,845	-351,062
Increase(-)/decrease (+) in creditors	614,552	-	614,552
Use of provisions	909,675	-	909,675
Total accruals to cash adjustments	-2,097,956	-600,799	-2,698,755
Excess cash to be CFERd	-	167,090	167,090
Net Cash Requirement	65,990,362	1	65,990,363

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	<u>Present provision</u>		<u>New provision</u>	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	-	-	876,854	<i>876,854</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	<i>167,090</i>
Total	-	-	876,854	<i>1,043,944</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR 1	-
RfR 2	239,578
RfR 3	-
	<hr/>
Total Net Administration Costs	239,578
Net Programme Costs	
RfR 1	61,874,187
RfR 2	3,211,298
RfR 3	12,574
	<hr/>
Total Net Programme costs	65,098,059
Total Net Operating Cost	65,337,637
<i>of which:</i>	
Net Resource Requirement	65,337,637
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	81,847,330

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	65,337,637
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	65,337,637
<i>Adjustments to remove:</i>	
capital grants	-297,010
European Union income related to capital grants	-
voted expenditure outside the budget	17,299,830
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-84,402
unallocated resource provision	590,750
Other adjustments	-999,475
Resource Budget (Budget)	81,847,330
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	81,855,369
Annually Managed Expenditure (AME)	-8,039

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	3,184,391
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	10
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	140,151
capital grants	297,010
European Union income related to capital grants	-
supported capital expenditure (revenue)	50,320
capital spending by levy funded bodies	-
unallocated capital provision	502,409
Other adjustments	1,237,155
Capital Budget (Budget)	5,411,446
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,315,255
Annually Managed Expenditure (AME)	96,191

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Mr David Nicholson, NHS Chief Executive
Request for Resources 2	Mr Hugh Taylor, Permanent Head
Request for Resources 3	Mr Hugh Taylor, Permanent Head

Mr Hugh Taylor as the Accounting Officer of the Department of Health has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department of Health.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Securing health care for those who need it

Programme	19,781,564
<i>of which:</i>	
Sale of goods and services	2,459,018
NHS contributions	16,205,255
Other grant income (including repayment of grants/subsidies)	-
Interest and dividends	1,117,291
CFERs	-

Total RfR 1	19,781,564 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for accommodation, goods and services to private and NHS patients, local authorities, Ministry of Defence and others; income from income generation schemes; income from local authorities under joint finance arrangements; income in respect of medical and dental education levy; income from the licensing of software and NHS logo; income in respect of settlement of legal claims; dividends and interest from loans and investments; income from intellectual property; income of the NHS Business Services authority; prescription, dental and ophthalmic fraud charges; income from NHS prescription and dental charges; recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and the Purchasing and Supply Agency arrangements; contributions from employers and employees towards the cost of the NHS; income from the Scottish Executive, the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from provision of policy and advice to other countries and care trusts; income in connection with the maintenance of the National Joint Registry; income of the Commission for Patient and Public Involvement in Health; income secured by counter fraud services from all sources including compensatory elements and refunds; compensation income and payments of interest and dividends on PDC and loans by NHS trusts and NHS foundation trusts.

RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

Administration	5,655
<i>of which:</i>	
Sale of goods and services	5,655
Programme	56,455
<i>of which:</i>	
Sale of goods and services	20,666
European Economic Area and other countries medical cost	32,557
Other grant income (including repayment of grants/subsidies)	1,190
Interest and dividends	2,042

Total RfR 2	62,110 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: administration income from seconded officers; cost of legal proceedings; Employment Opportunities Fund programme; staff telephone calls; staff lease cars scheme; European Fast Stream programme; recoveries from other government departments and non-departmental public bodies; income from the NHS, local authorities and Medicines and Healthcare Products Regulatory Agency for goods and services; staff accommodation; reimbursement of meetings expenses and selling services into wider markets, library income and open government; income from commercial tenants in DH buildings; NHS Purchasing and Supplies Authority income for energy rebates, seconded officers, staff telephone calls, reimbursement of meeting expenses, staff lease car scheme and health protection work; licence fees and royalties; sales of publications on equipment for the disabled; sale of publications; contributions by members of the public; insurance claims; income by the Human Fertilisation and Embryology Authority, National Biological Standards Board, Health Protection Agency, Health Development Agency, Commission for Social Care Inspection;

income from the European economic area and other countries for NHS treatment of their residents; sale of subsidised dried milk; income from the European Community; contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; contributions to local authority grant schemes; refunds from communication campaigns contracts and contributions towards the cost of communication campaigns; income from publications; income from penalty charges; interest and dividend income from trading funds; contributions towards individual budget pilots; income from the Scottish Executive, the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from the European Union for the reimbursement of staff travel expenses and for goods and services.

Total Operating A in A	19,843,674
Check total = figs in Part II table	19,843,674

Analysis of non - operating appropriations in aid (A in A)

RfR 1: Securing health care for those who need it

Programme	2,489,396
<i>of which:</i>	
Sale of assets	401,396
Loan, etc, repayments	2,088,000
Total RfR 1	2,489,396 †

† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: capital income from the sale of land, buildings, surplus vehicles and equipment, repayments of PDC by NHS trusts and NHS foundation trusts, and repayments of principal by NHS trusts and NHS foundation trusts.

RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	11
<i>of which:</i>	
Sale of assets	11
Total RfR 2	11 †

† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: capital income from the sale of land, buildings, surplus vehicles and equipment, principal repayment of trading fund loans.

Total Non - operating A in A	2,489,407
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision	
	Income	Receipts
Excess cash related to NHS contributions ●	-	167,090
NHS Contributions ●	876,854	876,854
Total	876,854	1,043,944

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	632,421	-638,121	81,762,746	92,623	81,855,369
<i>of which:</i>					
Administration budget*	12,259	-	239,578	-	239,578
Near-cash in RDEL	534,070	-539,770	77,787,041	463,833	78,250,874
Capital**	-238,937	239,124	1,834,178	3,481,077	5,315,255
Less Depreciation†	-195,622	-1,649	-1,011,755	-37,428	-1,049,183
Total	197,862	-400,646	82,585,169	3,536,272	86,121,441

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	22,333,081

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR 2		
A	United Kingdom Xenotransplantation Interim Regulation Authority	112
C	Payments to local authorities for public health services at airports	2,430
C	Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work	6,900

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body		£'000
RfR 1			
H	NHS Blood and Transplant.	♥	102,378
H	Commission for Healthcare Audit and Inspection	♥	69,724
H	Commission for Healthcare Regulatory Excellence	♥	1,983
H	Post Graduate Medical Education Training Board	♥	2,994
H	Commission for Patient and Public Involvement in Health	♥	27,500
H	NHS Direct	♥	24,921
H	NHS Professionals	♥	28,390
RfR 2			
T	Health Protection Agency	♥	183,909
T	Human Fertilisation and Embryology Authority	♥	1,739
T	General Social Care Council	♥	13,555
T	Commission for Social Care Inspection	♥	100,374
T	National Biological Standards Board	♥	15,062
T	Human Tissue Authority	♥	647
RfR 3			
A	Office of the Independent Regulator for NHS foundation trusts	♥	12,574

National Health Service Pension Scheme

Introduction

1. This Supplementary Estimate is required for the following purposes:

RfR 1: National Health Service Pension Scheme

Increases:

AME forecast

- | | | |
|----|---|-------------|
| 1. | An increase in expenditure of £152,215,000. | 152,215,000 |
|----|---|-------------|

Decreases:

AME forecast

- | | | |
|----|---|-------------|
| 1. | An increase in appropriations in aid of £ 45,142,000. | -45,142,000 |
|----|---|-------------|

Total change in resources for RfR1	107,073,000
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Total change in resources for Estimate	107,073,000
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2. As a result of the changes above and associated non-cash adjustments, there is no increase in the net cash requirement of £1,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: National Health Service Pension Scheme	107,073,000
Total additional net resource requirement	107,073,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the National Health Service Pension Scheme on:

RfR 1: National Health Service Pension Scheme

Pensions, allowances, gratuities, transfers to alternative pension arrangements, refunds of contributions, compensation for early retirement, to or in respect of persons engaged in health services or other approved employment and associated non-cash items.

The **National Health Service (NHS) Pension Scheme** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: National Health Service Pension Scheme					
Spending in Annually Managed Expenditure (AME)					
RfR 1 - A Pensions	10,181,933	152,215	45,142	107,073	10,289,006
Total RfR 1		152,215	45,142	107,073	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1	-	1

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: National Health Service Pension Scheme								
-	-	17,639,006	17,639,006	7,350,000	10,289,006	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Pensions								
-	-	17,639,006	17,639,006	7,350,000	10,289,006	-	-	
Total for Estimate:								
-	-	17,639,006	17,639,006	7,350,000	10,289,006	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	10,181,933	107,073	10,289,006
Voted capital items			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-17,416,791	-222,215	-17,639,006
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	4,078,712	488,003	4,566,715
Total accruals to cash adjustments	-13,338,079	265,788	-13,072,291
Excess cash to be CFERd	3,156,147	-372,861	2,783,286
Net cash requirement	1	-	1

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	<i>3,156,147</i>	-	<i>2,783,286</i>
Total	-	<i>3,156,147</i>	-	<i>2,783,286</i>

Forecast Combined Revenue Account

	£'000
	2006-07 provision
Net Programme Costs	
RfR1	
Income	
Contributions received	6,895,000
Transfers in	175,000
Other income receivable	280,000
Total Income	<u>7,350,000</u>
Expenditure	
Increase in liability	8,649,286
Interest on scheme liability	8,989,720
Other expenditure	-
Total Expenditure	<u>17,639,006</u>
Total Net Operating Cost	10,289,006
<i>of which:</i>	
Net Resource Requirement	10,289,006
CFERs	-
Non-voted expenditure	-
Resource Budget	10,289,006

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Outturn (Estimates)	10,289,006
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	10,289,006
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	10,289,006
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	10,289,006

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Nick Scholte, Chief Executive of the NHSBSA

Nick Scholte as the Accounting Officer (AO) of the NHSBSA has personal responsibility for the proper presentation of the NHS Pension Scheme's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head, in addition to any responsibilities for an assigned RfR, remains in general overall charge of the NHS Pensions Scheme.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the NHS Business Services Authority's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000
2006-07
Provision

RfR 1: National Health Service Pension Scheme

Programme

of which:

Pension scheme related income	7,350,000
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Total RfR 1	7,350,000 *
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* Amount that may be applied as appropriations in aid in addition to the net total, arising from: superannuation contributions; transfer values; deductions from superannuation contributions and lump sum payments in lieu of graduated contributions; contributions equivalent premiums (CEPs).

Total Operating A in A	7,350,000 *
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Excess cash receipts	Δ	-	2,783,286
Total		-	2,783,286

Cash which may be retained to offset expenditure

		£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid		7,350,000

Change in accounting policy

There was a change in accounting policy during 2005-06 in how the liability for the enhancement of pensions due to premature retirement was treated for amounts recharged to employers on an ongoing basis. Prior to 2005-06 the future liability for the rechargeable pension costs was disclosed as a separate liability. In 2005-06 this liability was assimilated into the overall liability of the scheme. However, this decision was taken after the 2006-07 Main Estimate had been submitted. The cash flow is therefore now accounted for as a release of pension provision.

Department for Transport

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Promoting transport that works for everybody

Increases:

Reserve Claim

Amount: £300,000,000 near cash resource

300,000,000

Section: AC

To increase near cash resource provision for Greater London Authority (GLA) Transport grant (resource) (Section AC) by £300,000,000 to reflect reclassification of grant payments to Transport for London from capital to resource.

Take-up of End Year Flexibility (EYF)

Amount: £191,644,000 near cash, £71,926,000 non cash and £60,673,000 capital grants

324,243,000

Sections: C, J, L, P, U, V, X, AC

To increase near cash resource provision for the Mobility and Inclusion Unit (Section J) by £75,000; Railways (Section L) by £112,000,000 for Crossrail and £45,000,000 for Train Operating Companies; Driving Standards Agency (Section U) by £1,819,000 to cover costs in respect of migration to shared services; Central Administration (Section X) by £1,950,000, of which £1,575,000 for Transport Direct and £375,000 for shared service costs; and GLA Transport grant (resource) (Section AC) by £23,000,000 to reflect reclassification of grant payments to Transport for London from capital to resource.

To increase non cash resource provision for Aviation services (Section C) by £2,582,000 for cost of capital charges on National Air Traffic Service's loan; Driving Standards Agency (Section U) by £384,000 to cover cost of capital charges; Vehicle and Operator Services Agency (Section V) by £749,000 to cover cost of capital charges; Central Administration (Section X) by £8,048,000 for Transport Direct depreciation and £658,000 cost of capital charges; and GLA Transport grant (resource) (Section AC) by £59,505,000 for London Underground.

To increase capital grant provision for Railways (Section L) by £60,673,000 for Network Grant.

To cover a decrease in near cash appropriations-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £7,800,000 to reflect a revised forecast of receipts.

Transfers from non-voted spending

1 Take-up of Departmental Unallocated Provision (DUP)

Amount: £57,179,000 near cash resource and £286,590,000 capital grants

343,769,000

Sections: L, W

To increase near cash resource provision for Railways (Section L) by £54,179,000 for franchising; and Driver Vehicle and Operator Group - Enforcement (Section W) by £3,000,000 for additional enforcement work.

To increase capital grant provision for Railways (Section L) by £286,590,000 for Network Grant.

2 Amount: £12,175,000 near cash resource, £131,995,000 non-cash and £193,025,000 capital

337,195,000

Sections: L, P, V, W, X, AC, AE, AF

To increase near cash resource provision for Vehicle and Operator Service Agency trading fund (Section V) by £400,000 for shared services costs; Driver, Vehicle and Operator Group enforcement (Section W) by £390,000 for enforcement work; and Other transport grants (resource) (Section AE) by £485,000 for Passenger Transport Executive payments.

To increase non cash resource provision for Central Administration (Section X) by £5,000,000 to cover Voluntary Early Retirement provision and GLA Transport grant (resource) (Section AC) by £126,995,000 for London Underground.

To increase capital grant provision for Railways (Section L) by £61,892,000 for Network Grant; and Other transport grants (capital) (Section AF) by £121,828,000 for Local Transport major schemes, £5,000,000 for de-trunking and £4,305,000 grant to NEXUS.

To decrease near cash appropriations-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £10,900,000 to reflect a reduced forecast of receipts.

Transfers from other government departments

Amount: £6,658,000 near cash resource and £2,547,000 capital grants 9,205,000

Sections: L, X

To increase near cash resource and capital grant provision for Railways (Section L) by £6,410,000 and £16,000 respectively from the Department of Work and Pensions to cover charges for rail safety work placed on them by the Office of Rail Regulation following a transfer from the Health and Safety Executive.

To increase capital grant provision for Railways (Section L) by £2,531,000 by transfer from the Scottish Executive in respect of Scottish Rail services.

To increase administration provision for Central Administration (Section X) by £248,000 by transfer from the Cabinet Office in respect of Parliamentary Counsel costs.

Increase in Annually Managed Expenditure (AME)

Amount: £26,487,000 non-cash 26,487,000

Section: AM

To increase non-cash provision for Railways (Section AM) by £26,487,000 to reflect changes in budgeting treatment of guarantees to certain rail industry pension schemes.

Increase in non-budget Expenditure

Amount: £263,574,000 263,574,000

Sections: AJ, AK

To increase non budget provision for Grant-in-Aid funding of non-departmental public bodies and public corporations (Section AJ) by £214,179,000, of which £210,179,000 is to reflect the Office of National Statistics' reclassification of London and Continental Railways as a public corporation and £4,000,000 for the British Transport Police Authority.

To increase non-budget provision for Driver and Vehicle Licensing Agency trading fund (Section AK) by £49,699,000, of which £49,551,000 is for the Shared Services Centre and £148,000 for cost of capital charges, and appropriations-in-aid provision by £304,000 to cover interest payments on the vesting loan.

Reduction in income offset by increases in CFER's

Amount: £20,450,000 near cash resource 20,450,000

Section: P

To reduce appropriations-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £20,450,000 fully offset by increases in CFERs, to reflect the ending of the netting off agreement in respect of Continuous Registration.

Neutral Changes:**Transfers within RfR**

- 1 Amount: £791,149,000 791,149,000
Sections: A, B, F, G, H, I, J, L, O, W, AA, AC, AE, AL

To increase resource provision for Ports and shipping services (Section A) by £6,156,000 by transfer from Section L; the Maritime and Coastguard Agency (Section B) by £107,000 from Section A and £3,000,000 from Section AE; Publicity and advice (Section F) by £1,000,000 from Section I; Research (Section G) by £540,000 from Section I, £143,000 from Section L and £220,000 from Section AE; Statistics, censuses and survey (Section H) by £101,000 from Section L, £437,000 from Section O and £68,000 from Section A; Consultancies and other services for roads and local transport (Section I) by £200,000 from Section AE; Mobility and Inclusion Unit (Section J) by £55,000 from Section X; Railways (Section L) by £16,000 from Section C, £27,000 from Section G, £422,000 from Section R, £646,000 from Section U, £45,000,000 from Section AF and £377,000 from Section AG; Bus Service Operator Grant (Section O) by £2,188,000 from Section L; Driver Vehicle and Operator Group - Enforcement (Section W) by £332,000 by transfer from Section Q and £675,000 from Section AE;

Other River Crossings (Section AA) by £13,209,000 from Section L and £192,000 from Section X; GLA transport grant (resource) (Section AC) by £ 185,500,000 from Section E, £440,000,000 from Section L and £11,120,000 from Section AE; Other transport grants (resource) (Section AE) by £2,067,000 from Section E, £240,000 from Section H and £73,611,000 from Section L; and Haulage efficiency and modernisation projects (new Section AL) by £3,500,000 by transfer of £1,500,000 from Section N and £2,000,000 from Section S.

- 2 Amount: (£791,149,000) -791,149,000
Sections: A, C, E, G, H, I, L, N, O, Q, R, S, U, X, AD, AE, AF, AG

To decrease resource provision for Ports and shipping services (Section A) by £107,000 by transfer to Section B and £68,000 to Section H; Aviation services (Section C) by £16,000 to Section L; Highways Agency (Section E) by £185,500,000 to Section AC and £2,067,000 to Section AE; Research (Section G) by £27,000 to Section L; Statistics, censuses and survey (Section H) by £240,000 to Section AE; Consultancies and other services for roads and local transport (Section I) by £1,000,000 to Section F and £540,000 to Section G; Railways (Section L) by £6,156,000 to Section A, £143,000 to Section G, £101,000 to Section H, £2,188,000 to Section O, £13,209,000 to Section AA, £73,611,000 to Section AE; Freight grants (Section N) by £1,500,000 to a new Section AL for Haulage efficiency and modernisation projects; Bus Service Operators Grant (Section O) by £437,000 to Section H; Vehicle Certification Agency - other payments (Section Q) by £332,000 to Section W; Vehicle Certification Agency (Section R) by £422,000 to Section L; Powershift and CleanUp (Section S) by £2,000,000 to Section AL; Driving Standards Agency trading fund (Section U) by £646,000 to Section L; Central Administration (Section X) by £55,000 to Section J and £192,000 to Section AA; GLA Transport grant (capital) (Section AD) by £440,000,000 to Section L; Other transport grants (resource) (Section AE) by £3,000,000 to Section B, £220,000 to Section G, £200,000 to Section I, £675,000 to Section W and £11,120,000 to Section AC; Other transport grants (Capital) (Section AF) by £45,000,000 to Section L; and Speed and red light camera enforcement (Section AG) by £377,000 to Section L.

Increase in capital grant provision offset by decrease in capital provision

- Amount: £300,000 capital grants 300,000
Section: AF

To increase capital grant provision for Other transport grants (capital) (Section AF) by £300,000 by transfer from Section G's capital provision to reflect the correct classification of the expenditure.

Increased spending offset by income

Amount: £371,528,000

Sections: A, C, E, F, L, T, X, AE

To increase resource provision for Ports and shipping services (Section A) by £859,000 for the Marine Accident Investigation Branch, fully offset by increases in appropriations-in-aid for Section C in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for Aviation services (Section C) by £2,835,000 for the Air Accident Investigation Branch, fully offset by increases in appropriations-in-aid in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for the Highways Agency (Section E) by £311,000, fully offset by increases in appropriations-in-aid.

To increase resource provision for Publicity and advice (Section F) by £2,175,000, fully offset by increases in appropriations-in-aid for the Dartford River Crossing (Section T).

To increase resource provision for Railways (Section L) by £363,481,000, fully offset by increases in appropriations-in-aid, to reflect additional income from premia paying Train Operating Companies and the Scottish Executive related to the provision of cross border services.

To increase resource provision for Railways (Section L) by £678,000 for the Rail Accident Investigation Branch, fully offset by increases in appropriations-in-aid for Section C in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for Central Administration (Section X) by £889,000 for Transport Direct, fully offset by increases in appropriations-in-aid for Section C in respect of interest receipts for the National Air Traffic Service.

To increase resource provision for Other transport grants (resource) (Section AE) by £300,000, fully offset by increases in appropriations-in-aid for Dartford River Crossing (Section T).

Decreases:**Transfer to non-voted spending:****Transfer to Departmental Unallocated Provision (DUP)**

- | | | |
|---|---|-------------|
| 1 | Amount: (£628,000) near cash resource, (£26,803,000) non-cash and (£23,090,000) capital
Sections: C, L, U, V, AD | -50,521,000 |
|---|---|-------------|

To decrease non-cash resource provision for Aviation services (Section C) by £316,000 and Railways (Section L) by £26,487,000.

To increase near cash appropriations-in-aid provision for the Driving Standards Agency (Section U) by £501,000 and the Vehicle and Operator Services Agency trading fund (Section V) by £127,000.

To decrease capital grant provision for GLA Transport Grant (capital) (Section AD) by £23,090,000 following the reclassification of grant payments to Transport for London from capital to resource.

- | | | |
|---|--|--------------|
| 2 | Amount: (£124,000,000 near cash (£5,896,000) non-cash resource and (£269,839,000) capital grant
Sections: AC, L, AF | -399,735,000 |
|---|--|--------------|

To decrease near cash provision for GLA transport grant (resource) (Section AC) by £124,000,000.

To decrease non cash resource provision for Railways (Section L) by £5,896,000 to reflect the reclassification of London and Continental Railways as a public corporation.

To decrease capital grant provision for Railways (Section L) by £257,714,000 to reflect the reclassification of London and Continental Railways as a public corporation and by a further £4,600,000 to provide funding for British Transport Police capital expenditure.

To decrease capital grant provision for Other transport grants (capital) (Section AF) by £7,176,000 for de-trunking payments to Local Authorities and by £349,000 for the Shared Service Centre.

Transfer to other government departments

Amount: (£18,294,000) near cash resource -18,294,000

Section: L, X

To decrease near cash resource provision for Railways (Section L) by £16,494,000 by transfer to the Scottish Executive for Scottish Rail services.

To decrease near cash resource provision for Central Administration (Section X) by £1,800,000 by transfer to the Department for Communities and Local Government in respect of Government Offices' Voluntary Early Retirement schemes.

Decrease in capital grant spending offset by increase in capital expenditure

Amount: (£7,163,000) capital grant -7,163,000

Sections: A, L, AF

To decrease capital grant provision for Other transport grants (capital) (Section AF) by £7,163,000, offset by an increase in capital expenditure for Section A (£7,119,000) and Section L (£44,000).

Other decreases

Decrease in non-budget expenditure

Amount: (£500,000) -500,000

Section: AJ

To decrease non budget provision for Grant-in-Aid funding of non-departmental public bodies and public corporations (Section AJ) by £500,000 in respect of Passenger Focus.

Reduction in capital grant provision

Amount: (£300,000,000) capital grants

Section: AD

To decrease capital grant provision for GLA Transport grants (capital) (Section AD) by £300,000,000 to reflect reclassification of grant payments to Transport for London. -300,000,000

Total changes in resources for RfR1 849,010,000

Total change in resources for Estimate 849,010,000

Changes in capital

Increases:

Take-up of End Year Flexibility (EYF)

1 Amount: £1,500,000 1,500,000

Sections: C

To increase capital provision for Aviation services (Section C) by £1,500,000 for the Air Accident Investigation Branch.

Increased spending offset by decrease in capital grants

Amount: £7,163,000 7,163,000

Sections: A, L, AF

To increase capital provision for Ports and shipping services (Section A) by £7,119,000 and Railways (Section L) by £44,000 by transfer from Section AF for the International Maritime Organisation and Rail Accident Investigation Branch, respectively.

Increased spending to compensate for loss from sales of land

Amount: £312,000 312,000

Section: E

To increase capital provision for the Highways Agency (Section E) by £312,000 to cover loss on sales of land.

Neutral Changes:**Transfers within RfR**

Amount: £23,205,000

Sections: E, U, V, AB

To increase capital provision for the Highways Agency (Section E) by £5,000 by transfer from Section X.

To increase capital provision for the Driving Standards Agency trading fund (Section U) by £10,000,000; the Vehicle and Operator Services Agency trading fund (Section V) by £12,500,000; and the Government Car and Despatch Agency (Section AB) by £700,000, all by transfers from Section Z.

Amount: (£23,205,000)

Sections: X, Z

To decrease capital provision for Central Administration (Section X) by £5,000 by transfer to Section E.

To decrease capital provision for Section Z (Driver, Vehicle and Operator Group Central (including loan pool) by £25,200,000 by transfer to Section U (£10,000,000), Section V (£12,500,000) and Section AB (£700,000).

Increased spending offset by income

Amount: £2,888,000

Sections: U, V, Z

To increase capital provision for the Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £2,888,000, fully offset by increases in non-operating appropriations-in-aid for Section U (£629,000) and Section V (£2,259,000).

Decreases**Transfers to non-voted spending****1 Transfer to Departmental Unallocated Provision (DUP)**

Amount: (£2,629,000) -2,629,000

Section: X

To decrease capital provision for Central Administration (Section X) by £2,629,000 in respect of Transport Direct.

2 Amount: (£12,000,000)

-12,000,000

Sections: G, X

To decrease capital provision for Research (Section G) by £2,000,000 for de-trunking payments to Local Authorities; and Central Administration (Section X) by £10,000,000 for the Shared Services Centre.

Transfer to other government departments

Amount: (£45,000)	-45,000
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Section: X

To decrease capital provision for Central Administration (Section X) by £45,000 by transfer to the Department for Communities and Local Government in respect of contribution to IT Services Outsourcing Project.

Decrease in spending offset by increase in capital grants

Amount: (£300,000)	-300,000
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Section: G

To decrease capital provision for Research (Section G) by £300,000 offset by an increase in capital grant provision for Other transport grants (capital) (Section AF).

Other decreases:**Non-Budget**

Amount: (£8,455,000)	-8,455,000
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Section: AK

To increase non-operating appropriations-in-aid provision for the Driver and Vehicle Licensing Agency trading fund (Section AK) by £8,455,000.

Total changes in capital for Estimate	-14,454,000
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Changes to CFER's

To increase provision for the Highways Agency by £11,069,000; and Driver and Vehicle Licensing Agency trading fund by £24,046,000, including £20,450,000 by transfer from Section P.

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £533,764,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Promoting transport that works for everybody	849,010,000
Total additional net resource requirement	849,010,000
Additional net cash requirement	533,764,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Transport on:

RfR 1: Promoting transport that works for everybody

ports and shipping services; the National Ports Council Pension and Compensation schemes; freight grants; the Maritime and Coastguard Agency; civil and international aviation services including costs relating to the World Health Organisation study into airline travel and Deep Vein Thrombosis (DVT) and type approval testing of electronic screening devices for use in enforcing aviation provisions of the Railways and Transport Safety Act 2003; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; grants to local authorities, including the Greater London Authority and Merseyrail; payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; the operation of the Dartford River crossing; compensation to private tolled undertakings for the imposition of VAT on tolls; loans and other expenditure relating to Other River Crossings; Bus Service Operator Grant; Multi-Modal Studies; promoting efficiencies in sustainable distribution; support to nationalised transport industries; Powershift and CleanUp programmes; Transport Direct; royal travel; transport security; the Commission for Integrated Transport; trans-European network funds; costs relating to the PHARE programme; support for other minor transport services; compensation and pension costs relating to pre-DVLC local authority driver and licensing staff; grants and loans and other expenditure relating to the Driver and Vehicle Licensing Agency (trading fund); Driver and Vehicle Licensing Agency Vehicle excise duty collection and enforcement related activities, development and operation of systems associated with licensing; Vehicle and Operator Services Agency (trading fund); Vehicle and Operator services Agency enforcement; Driving Standards Agency (trading fund); Vehicle Certification Agency; Vehicle Certification Agency enforcement; speed and red light camera enforcement; grants to Railtrack; British Rail and London Underground; payments and loans under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); PPP Arbiter; grants to the Strategic Rail Authority; the Channel Tunnel Rail Link; Cross London Rail Links Limited; National Freight Company travel concessions; railway industry and National Freight Company pension funds; the British Transport Police; payments and financial assistance in respect of railways and railways services under Section 6 of the Railways Act 2005; accident investigation; research, development, statistics, censuses and surveys, safety and mobility, publicity, promotion and advice and publications, monitoring, consultancies, selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; the administration and operation of the department; payments to the Department for Communities and Local Government in respect of certain central services; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; special payments; the central management of, and delivery of services to, the Civil Service and wider public sector; and associated non-cash items.

The Department for Transport will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Promoting transport that works for everybody					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Ports and shipping services	12,714	6,840	-	6,840	19,554
RfR 1 - B Maritime and Coastguard Agency	118,419	3,107	-	3,107	121,526
RfR 1 - C Aviation services	19,045	5,085	5,261	-176	18,869
RfR 1 - E Highways Agency	2,585,317	-187,256	311	-187,567	2,397,750
RfR 1 - F Publicity and advice	19,388	3,175	-	3,175	22,563
RfR 1 - G Research	35,597	876	-	876	36,473
RfR 1 - H Statistics, censuses and surveys	14,764	366	-	366	15,130
RfR 1 - I Consultancies and other services for roads and local transport	6,621	-1,340	-	-1,340	5,281
RfR 1 - J Mobility and Inclusion Unit	4,388	130	-	130	4,518
RfR 1 - L Railways	3,729,049	633,339	363,481	269,858	3,998,907
RfR 1 - N Freight Grants	35,108	-1,500	-	-1,500	33,608
RfR 1 - O Bus Service Operator Grant	398,300	1,751	-	1,751	400,051
RfR 1 - P Vehicle Excise Duty enforcement	-54,400	-	-39,150	39,150	-15,250
RfR 1 - Q Vehicle Certification Agency - Other payments	1,250	-332	-	-332	918
RfR 1 - R Vehicle Certification Agency	98	-422	-	-422	-324
RfR 1 - S Power Shift and CleanUp	20,000	-2,000	-	-2,000	18,000
RfR 1 - T Dartford River Crossing	-67,000	-	2,475	-2,475	-69,475
RfR 1 - U Driving Standards Agency trading fund	-221	1,557	501	1,056	835
RfR 1 - V Vehicle and Operator Services Agency trading fund	-1,264	1,149	127	1,022	-242
RfR 1 - W Driver, Vehicle and Operator Group - Enforcement	11,921	4,397	-	4,397	16,318
RfR 1 - X Central administration	171,070	14,746	-	14,746	185,816
RfR 1 - AA Other River Crossings	-	13,401	-	13,401	13,401
RfR 1 - AC GLA Transport Grant (resource)	1,614,880	1,022,120	-	1,022,120	2,637,000
RfR 1 - AD GLA Transport Grant capital)	763,090	-763,090	-	-763,090	-
RfR 1 - AE Other transport grants (resource)	416,061	61,488	-	61,488	477,549
RfR 1 - AF Other transport grants (capital)	260,930	71,745	-	71,745	332,675

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RfR 1 - AG Speed and red-light camera enforcement	1	-377	-	-377	-376
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Non-Budget

RfR 1 - AJ Grant in Aid funding of non-departmental public bodies and public corporations	10,400	213,679	-	213,679	224,079
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RfR 1 - AK Driver and Vehicle Licensing Agency (trading fund)	232,485	49,699	304	49,395	281,880
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Spending in Departmental Expenditure Limits (DEL)

RfR1 - AL Haulage efficiency and modernisation projects	-	3,500	-	3,500	3,500
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Spending in Annually Managed Expenditure (AME)

RfR1 - AM Railways	-	26,487	-	26,487	26,487
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Total RfR 1		1,182,320	333,310	849,010	
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Total Changes to RfRs		1,182,320	333,310	849,010	
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	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	1,219,915	-3,423	1,216,492
Non-Operating A in A	18,621	11,031	29,652
Net cash requirement	11,199,801	533,764	11,733,565

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting transport that works for everybody								
281,417	6,967,124	7,425,823	14,674,364	709,994	13,964,370	1,216,492	29,652	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Ports and shipping services								
-	21,014	-	21,014	1,460	19,554	11,612	-	
B Maritime and Coastguard Agency								
-	129,196	80	129,276	7,750	121,526	9,000	-	
C Aviation services								
-	22,916	49,750	72,666	53,797	18,869	1,707	-	
D Transport security and royal travel								
-	11,079	6,750	17,829	-	17,829	680	-	
E Highways Agency								
97,796	2,345,007	-	2,442,803	45,053	2,397,750	1,140,239	15,627	
F Publicity and advice								
-	17,073	5,490	22,563	-	22,563	-	-	
G Research								
-	36,473	-	36,473	-	36,473	3,263	-	
H Statistics, censuses and surveys								
-	15,130	-	15,130	-	15,130	1,475	-	
I Consultancies and other services for roads and local transport								
-	4,856	500	5,356	75	5,281	-	-	
J Mobility and Inclusion Unit								
-	933	3,605	4,538	20	4,518	140	-	
K Strategic Transport Studies								
-	1,500	-	1,500	-	1,500	-	-	
L Railways								
-	1,101,777	3,260,611	4,362,388	363,481	3,998,907	44	-	
M Commission for Integrated Transport								
-	1,500	-	1,500	-	1,500	-	-	
N Freight Grants								
-	22,500	11,108	33,608	-	33,608	-	-	
O Bus Service Operator Grant								
-	400,051	-	400,051	-	400,051	-	-	
P Vehicle Excise Duty enforcement								
-	-	-	-	15,250	-15,250	-	-	
Q Vehicle Certification Agency - Other payments								
-	918	-	918	-	918	-	-	
R Vehicle Certification Agency								
-	9,051	-	9,051	9,375	-324	300	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
1	2	3	4	5	6	7	8		
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
S	Power Shift and CleanUp	-	10,000	8,000	18,000	-	18,000	-	-
T	Dartford River Crossing	-	-	-	-	69,475	-69,475	-	-
U	Driving Standards Agency trading fund	-	1,920	-	1,920	1,085	835	10,000	1,452
V	Vehicle and Operator Services Agency trading fund	-	2,361	-	2,361	2,603	-242	12,500	3,978
W	Driver, Vehicle and Operator Group - Enforcement	-	16,318	-	16,318	-	16,318	-	-
X	Central administration	166,730	25,196	-	191,926	6,110	185,816	13,124	-
Y	Trans-European network payments for transport projects (net)	-	-	3	3	-	3	-	-
Z	Driver, Vehicle and Operator Group central (including loan pool)	-	-	-	-	-	-	9,930	-
AA	Other River Crossings	-	29,667	-	29,667	16,266	13,401	-	-
AB	Government Car and Despatch Agency	16,891	-	-	16,891	16,891	-	2,478	140
<i>Support for Local Authorities</i>									
AC	GLA Transport Grant (resource)	-	-	2,637,000	2,637,000	-	2,637,000	-	-
AD	GLA Transport Grant capital)	-	-	-	-	-	-	-	-
AE	Other transport grants (resource)	-	-	477,549	477,549	-	477,549	-	-
AF	Other transport grants (capital)	-	-	332,675	332,675	-	332,675	-	-
AG	Speed and red-light camera enforcement	-	623	100,000	100,623	100,999	-376	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
AH	Highways Agency	-	2,736,417	-	2,736,417	-	2,736,417	-	-
Non-Budget									
AI	Strategic Rail Authority	-	-	100	100	-	100	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
AJ Grant in Aid funding of non-departmental public bodies and public corporations								
-	-	224,079	224,079	-	224,079	-	-	-
AK Driver and Vehicle Licensing Agency (trading fund)								
-	148	282,036	282,184	304	281,880	-	8,455	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
AL Haulage efficiency and modernisation projects								
-	3,500	-	3,500	-	3,500	-	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
AM Railways								
-	-	26,487	26,487	-	26,487	-	-	-
Total for Estimate:								
281,417	6,967,124	7,425,823	14,674,364	709,994	13,964,370	1,216,492	29,652	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	13,115,360	849,010	13,964,370
Voted capital items			
Capital	1,219,915	-3,423	1,216,492
<i>Less: Non-operating A in A</i>	<i>18,621</i>	<i>11,031</i>	<i>29,652</i>
Total net voted capital	1,201,294	-14,454	1,186,840
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,745,298	45,479	-2,699,819
Depreciation	-1,225,497	281,832	-943,665
New provisions and adjustments to previous provisions	-75,131	-482,588	-557,719
Profit/loss on sale of assets	-	-312	-312
Prior period adjustments	-	-	-
Other non-cash items	-1,504	-189	-1,693
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	7,694	7,694
Increase(-)/decrease (+) in creditors	-	-286,266	-286,266
Use of provisions	930,577	133,558	1,064,135
Total accruals to cash adjustments	-3,116,853	-300,792	-3,417,645
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,199,801	533,764	11,733,565

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	119,270	<i>119,270</i>	20,339	<i>20,339</i>
Non-operating income not classified as A in A	3,149	<i>3,149</i>	3,149	<i>3,149</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	134,046	<i>134,046</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	122,419	<i>122,419</i>	157,534	<i>157,534</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	256,392
Total Net Administration Costs	256,392
Net Programme Costs	
RfR1	13,687,639
Non-voted	-
Total Net Programme costs	13,687,639
Total Net Operating Cost	13,944,031
<i>of which:</i>	
Net Resource Requirement	13,964,370
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-20,339
Resource Budget	10,549,696

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	13,964,370
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-20,339
Net Operating Costs (Accounts)	13,944,031
<i>Adjustments to remove:</i>	
capital grants	-3,484,718
European Union income related to capital grants	34,161
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-148,964
unallocated resource provision	79,362
Other adjustments	125,824
Resource Budget (Budget)	10,549,696
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,786,792
Annually Managed Expenditure (AME)	2,762,904

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	1,186,840
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-312
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-3,149
capital spending by non departmental public bodies	49,949
capital grants	3,484,718
European Union income related to capital grants	-34,161
supported capital expenditure (revenue)	1,369,607
capital spending by levy funded bodies	-
unallocated capital provision	23,402
Other adjustments	607,270
Capital Budget (Budget)	6,684,164
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,684,164
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Sir David Rowlands, Permanent Head of the Department

Sir David Rowlands as the Accounting Officer of the Department for Transport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Transport.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Promoting transport that works for everybody

Administration	25,025
<i>of which:</i>	
Sale of goods and services	25,025
Programme	684,969
<i>of which:</i>	
Sale of goods and services	130,465
Regulatory licences, fines, penalties and taxes	116,249
EU income	46,445
Other grant income (including repayment of grants/subsidies)	362,600
Interest and dividends	29,210
CFERs	
Other income (including receipts)	

Total RfR1	709,994 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research, statistical and administrative services; fee paying enquiries; dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences, and publication (in print and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-departmental public bodies towards the cost of research, surveys and studies; receipts from the European Union including receipts relating to the PHARE programme, donations, legal claims, including extra-contractual claims for defective work; awards of court costs and out of court settlements; receipts from the use of accommodation; rental income and receipts from property and land; the disposal of land, buildings,

plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; speed and red light camera fixed penalty receipts; fines from wheelclamping and continuous registration; charges for vehicle and component testing; recoveries from local authorities in respect of public enquiries into highway orders; the sale of land on completion or abandonment of highway schemes; receipts from Dartford River Crossing Ltd; receipts from claims for damage to motorways and trunk roads; contributions from developers to transport schemes; recoveries of costs of civil aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; receipts related to the World Health Organisation study into airline travel and Deep Vein Thrombosis; repayments of loans or other payments under section 63 of the

Railways Act 1993 to Railtrack plc (in administration); receipts from the Strategic Rail Authority and the British Transport Police Authority; the Channel Tunnel Rail Link, Eurostar and the Scottish Executive; receipts in respect of railways and railway services; fees and receipts from the surveys of ships, Port State Control inspections, examinations and the certification of seafarers and receipts from the Learning and Skills Council for SmarT seafarer training; recoveries in respect of the International Maritime Organisation building, the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes and receipts from outside organisations in respect of the provision by MAIB staff of investigation expertise and training; Eurocontrol; subsidy provided under the New Deal - Welfare to Work; repayments of deemed and voted loans made to the Driver and Vehicle

Licensing Agency; receipts in respect of Vehicle Excise duty enforcement activities; Vehicle and Operator Services Agency and the Driving Standards Agency; plus Other River Crossings; payments from the Department for Communities and Local Government in respect of certain central services; payments from the Department for Work and Pensions in respect of transitional administration costs; receipts from the trading and programme activities of the Government Car Despatch Agency; and receipts relating to the administration and operation of the department.

Total Operating A in A	709,994
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Analysis of non - operating appropriations in aid (A in A)

Programme	29,652
<i>of which:</i>	
Sale of assets	15,767
Loan, etc., repayments	13,885
CFERs	-

Total RfR1	29,652 †
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† Amounts that may be applied as non-operating appropriations in aid in addition to the net total arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payments made under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; Vehicle and Operator Services Agency, the Driving Standards Agency and the British Transport Police Authority.

Total Non - operating A in A	29,652
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Tyne Tunnel	Φ	1,624	1,624
Second Mersey Tunnel	Φ	1,525	1,525
Bus Service Operator Grant	Φ	300	300
Highways Agency	Φ	20,000	20,000
Driver and Vehicle Licensing Agency (trading fund)	Φ	134,046	134,046
Central administration	Φ	39	39
Total		157,534	157,534

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	616,406	277,829	7,244,850	541,942	7,786,792
<i>of which:</i>					
Administration budget*	-1,552	-	256,392	6,778	263,170
Near-cash in RDEL	444,126	448,892	5,761,557	789,316	6,550,873
Capital**	-62,956	-639,057	4,645,852	2,038,312	6,684,164
Less Depreciation†	281,832	-27,607	-943,665	-20,816	-964,481
Total	835,282	-388,835	10,947,037	2,559,438	13,506,475

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000

739,646

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR1 - I	Local Transport Consultancy	1,196
RfR1 - I	Government Office programme expenditure	550
RfR1 - I	Transport Analysis and Economic Consultancies	500
RfR1 - L	International subscriptions OECD	460
RfR1 - AE	Centres of Excellence	100

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ '000
RfR1 - AI	Strategic Rail Authority	100
RfR1 - AJ	British Transport Police Authority	9,400
RfR1 - AJ	Rail Passenger Council	4,500
RfR1 - AJ	London and Continental Railways	210,179
RfR1 - AK	Driver and Vehicle Licensing Agency (trading fund)	281,880
		506,059

International subscriptions

RfR/Section	Body	£ '000
RfR1 - C	International Civil Aviation Organisation	2,000

Office of Rail Regulation

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.

Total change in resources for RfR1

Total change in resources for Estimate -

Changes in capital

Take up of End -Year-Flexibility (EYF)

New finance accounting package, additional expenditure on Wide Area Network (WAN) and stamp duty on new property	750,000
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Total change in capital for Estimate 750,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 68,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.

-

Total additional net resource requirement

-

Additional net cash requirement

68,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Office of Rail Regulation on:

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.

Administration, capital expenditure and associated non-cash items.

The **Office of Rail Regulation** will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.					
Total RfR 1		-	-	-	-
Total Changes to RfRs		-	-	-	-

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	500	750	1,250
Non-Operating A in A	-	-	-
Net cash requirement	1	68	69

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation.								
32,689	-	15	32,704	32,702	2	1,250	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration, associated capital and other expenditure								
13,817	-	7	13,824	13,823	1	1,250	-	
B Rail Safety Regulation								
18,872	-	8	18,880	18,879	1	-	-	
Total for Estimate:								
32,689	-	15	32,704	32,702	2	1,250	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	2	-	2
Voted capital items			
Capital	500	750	1,250
<i>Less: Non-operating A in A</i>	-	-	-
Total net voted capital	500	750	1,250
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-119	-13	-132
Depreciation	-961	-36	-997
New provisions and adjustments to previous provisions	-25	-	-25
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-35	-	-35
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	6	-	6
Total accruals to cash adjustments	-1,134	-49	-1,183
Excess cash to be CFERd	633	-633	-
Net Cash Requirement	1	68	69

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	<u>Present provision</u>		<u>New provision</u>	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	<i>633</i>	-	-
Total	-	<i>633</i>	-	-

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	<u>2</u>
Total Net Administration Costs	2
Net Programme Costs	
RfR1	<u>-</u>
Total Net Programme costs	-
Total Net Operating Cost	2
<i>of which:</i>	
Net Resource Requirement	2
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	2

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	2
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	2
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	2
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	1,250
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,250
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,250
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Bill Emery, Permanent Head of Department

Bill Emery as Principal Accounting Officer of the Office of Rail Regulation has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Rail Regulation.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair

Administration 32,702

of which:

regulatory licences, fines, penalties and taxes 32,702

Programme -

of which:

Sale of goods and services -

Total RfR1 32,702 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: recoveries in respect of the administration of the Office of Rail Regulation, including charges for courses, officers loaned to other organisations; income from publications and library service; travel costs recovered from the European Union (EU); income from recovery actions in connection with the successful outcome of judicial review; and receipts of licence fees.

Total Operating A in A 32,702

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	2	-	2
<i>of which:</i>					
<i>Administration budget*</i>	-	-	2	-	2
<i>Near-cash in RDEL</i>	-	-	-1,138	6	-1,132
Capital**	750	-	1,250	-	1,250
Less Depreciation†	-36	-	-997	-	-997
Total	714	-	255	-	255

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	32,702

Department for Communities and Local Government

Introduction

1. Changes in resources

Amount £

Changes in resources

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions

Increases:

Take up of End Year Flexibility

Near-cash

To increase provision for : Decent Places to Live (Section B) (£2,000,000); Central Administration (Section F) (£8,500,000); Government Office Administration (Section G) (£3,000,000). 13,500,000

Capital grant

To increase provision for : Decent Places to Live (Section B) (£34,000,000); Decent Places to Live (Section M)(£286,000). 34,286,000

Take up of Departmental Unallocated Provision

Capital grant

To increase provision for Decent Places to Live (Section M) (£45,000,000). 45,000,000

Take up of Invest to Save Budget

Near-cash

To increase provision for Decent Places to Live (Section B) (£108,000); Tackling Disadvantage (Section C)(£705,000). 813,000

Capital grant

To increase provision for Tackling Disadvantage (Section C) (£5,000) 5,000

Transfers to voted spend

Near-cash

To increase provision for European Structural Funds - Department for Communities & Local Government (Section I) (£650,000). 650,000

Non-cash

To increase provision for: Housing Supply and Demand (Section A)(£1,374,000); Tackling Disadvantage (Section C)(£339,000); European Structural Funds - Department for Communities & Local Government (Section I) (£37,775,000). 39,488,000

Capital grant

To increase provision for Housing Supply and Demand (Section L)(£2,750,000). 2,750,000

Grant in Aid

To increase grant in aid provision for Housing Supply and Demand (Section U) (£2,804,000) and Tackling Disadvantage (Section X)(£1,000,000). 3,804,000

Transfer from Capital

To increase capital grant provision for Central Administration (Section F)(£42,000) and European Structural Funds - Communities and Local Government (Section I)(£700,000). 742,000

Other Increases

To increase provision for Government Office Administration (Section G)(£3,577,000). Funded in budgetary terms by reallocations of administration costs from the Department for Transport (£1,800,000); the Department of Trade and Industry (£1,013,000) and the Cabinet Office (£764,000) 3,577,000

Decreases:Transfers to non voted spend*Near-cash*

To decrease provision for Housing Supply and Demand (Section A)(£975,000); Better Services (Section D)(£5,050,000). -6,025,000

Non-cash

To decrease provision for Better Services (Section D)(£4,817,000). -4,817,000

Capital grant

To decrease provision for Housing Supply and Demand (Section A)(£1,399,000); Housing Supply and Demand (Section L)(£13,500,000); Decent Places to Live (Section M)(£5,000,000). -19,899,000

Transfer to Capital

To decrease provision for Housing Supply and Demand (Section A)(£300,000) and Better Services (Section D)(£5,000,000) -5,300,000

Transfer to RfR2*Near-cash*

To decrease provision for Housing Supply and Demand(Section A)(£88,000) by a transfer to RfR2 Research, Publicity, Mapping and Electoral Costs (Section C) -88,000

Machinery of Government Change*Near-cash*

Decrease in provision for Central Administration (Section F)(£100,000). Funded in budgetary terms by a reallocation of administration costs to the Deputy Prime Minister's Office -100,000

Other Decreases

Capital grant

Decrease in provision for Development of English Regions (Section P)(£5,000,000). Funded in budgetary terms by a transfer to the Department for Education and Skills. -5,000,000

Neutral Changes:Spending offset by A-in-A*Near Cash*

To increase provision fully offset by Appropriation in Aid: Better Services (Section D) (£1,711,000); Central Administration (Section F)(£3,325,000); Government Office Administration (Section G) (£17,477,000)

To decrease provision in Decent Places to Live(Section M), (-£45,000,000) to fully offset reduction in Appropriations in Aid

Capital grants

To increase provision fully offset by Appropriation in Aid: Development of English Regions (Section P) (£3,750,000); Government Office (Section G) (£1,616,000)

Transfers between Sections within RfR1

Net Increases in :Housing Supply and Demand (Section A) (£1,239,000):Tackling Disadvantage (Section C) (£790,000); Governemnt Office Administration (Section G) (£9,168,000), European Structural Funds - Communities and Local Government(Section I) (£2,850,000),Tackling Disadvantage (Section N) (£3,000,000), Better Services (Section O) (£4,658,000) offset by net decreases in Decent Places to Live (Section B) (-£690,000) ; Better Services (Section D) (- £5,838,000) ; Central Administration (Section F) (- £11,668,000); Housing Supply and Demand (Section L) (- £159,000); Decent Places to Live (Section M) (-£3,350,000).

Total change in resources for RfR1 103,386,000

RfR 2: Providing for effective devolved decision making within a national framework**Increases:**Take up of End Year Flexibility

To increase near-cash provision for Revenue Support Grants (Section E)(£27,500,000). 27,500,000

Transfer to voted spend*Capital grant*

To increase provision for Other Grants and Payments (resource grants) (Section H)(£3,000,000) 3,000,000

Grant in Aid

To increase grant in aid provision for Non-departmental public bodies (Section J)(£404,000) 404,000

Transfer from RfR1

To increase near-cash provision for Research, Publicity, Mapping and Electoral Costs (Section C)(£88,000). 88,000

Decreases:Transfers to non voted spend

To decrease near-cash provision for Other Grants and Payments (Section H)(£404,000) -404,000

Neutral Changes:Spending offset by A-in-A

To increase provision for Other Grants and Payments (Section H) (£1,330,000) fully offset by Appropriation in Aid

Neutral Changes:Transfers between Sections within RfR2

Net increase in Revenue Support Grants (Section E)(£16,500,000) offset by net decreases in Best value inspection subsidies to Public Corporations & best value intervention costs (Section B)(£3,500,000) and of from Other Grants and Payments(resource grants) (Section H)(£13,000,000).

Total change in resources for RfR2 30,588,000

Total change in resources for Estimate 133,974,000

Changes in capital**RfR1**Increase in Capital

Increase in Capital for Better Services (Section D)(£10,410,000), Central Administration (Section F)(£45,000) and Government Office Administration (Section G) (£330,000). 10,785,000

Decrease in Capital

Decrease in Capital for Housing Supply and Demand (Section A)(£1,300,000) and Central Administration (Section F)(£6,672,000). -7,972,000

Total change in capital for Estimate 2,813,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £216,227,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	†	103,386,000
RfR 2: Providing for effective devolved decision making within a national framework		30,588,000
Total additional net resource requirement		133,974,000
Additional net cash requirement	†	216,227,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Communities and Local Government on:

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions

housing revenue account subsidy; homelessness and rough sleepers; payments to the Housing Corporation; payments to the Audit Commission for registered social landlord inspections; disabled facilities grant; best value in housing; home selling; procurement efficiency and social housing; payments to local authorities in respect of Local Area Agreements; rent and leasehold services; national approved letting scheme; social housing mobility including choicebased local authority lettings; grants and payments for the licencing and safety rating of landlords; to council tenant participation; housing transfers; regional housing boards advice; payments to Housing Action Trusts; the Supporting People programme; capital grants to local authorities for housing; Local Authority Social Housing Grant transitional compensation; payments to the Commission for Architecture and the Built Environment; payments to the Academy for Sustainable Communities; Housing Improvement Agencies; charges by Valuation Offices in respect of Right to Buy; refurbishment and acquisition of gypsy sites; deprived neighbourhoods, including the New Deal for Communities programmes; Urban Regeneration Agency; payments to the Department of Trade and Industry for Regional Development Agencies and the London Development Agency; Groundwork; initiatives to accelerate the growth areas, including payments to development corporations and other local delivery agencies; grants and payments for creating and improving parks and public spaces; co-ordinating strategy for dealing with abandoned vehicles; payments that derive from European Structural Funds Regulations; exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; Combined Universities of Cornwall; coalfields regeneration; planning; the Planning Inspectorate; fire and rescue services, including grants paid to Chief Fire Officers' Association and measures to deal with the aftermath of terrorism; purchase of fire radio systems; payments and loans to the Fire Service College (trading fund); Emergency Fire Service Closure costs; fire service pensions; fire service dispute(s); payments to Firebuy; mapping data and services; Ordnance Survey trading fund; regional assemblies; payments for the Mersey Basin Campaign; work on improving race, gender and faith equalities; payments to the Equality Opportunity Commission and the Commission for Racial Equality; costs associated with the setting up of the Commission for Equality and Human Rights; special grants paid under Section 31 of the Local Government Act 2003; special grants paid under Section 88B of the Local Government Act 1988; minor grants and payments in support of housing, planning, regeneration, liveability, urban design, building regulation, research, development, surveys; monitoring, statistics, advice and consultancies; initiatives to tackle areas of low demand housing; publicity, promotion and publications; communications; Special Grants Programme support to voluntary bodies; subscriptions and contributions to international organisations; the Deputy Prime Minister's chairmanship of Ministerial Committees; co-ordination of cross-cutting issues including social exclusion; the residual functions of Property Services Agency (PSA); residual payments concerning the privatisation of the Building Research Establishment; payments and loans in connection with the Queen Elizabeth II Conference Centre trading fund; the Neighbourhood Renewal Unit; the administration and operation of the Office; providing for the administration of the Government Offices; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; research; housing statistics, special payments; and associated non-cash items.

Part I (*continued*)

RfR 2: Providing for effective devolved decision making within a national framework

payments to the Valuation Office Agency for rating and valuation services; payments to the Audit Commission for Best Value inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayments of excess contributions made by local authorities in respect of non-domestic rates in 2005-06 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant; intervention action and capacity building in local authorities; local Public Service Agreement (PSA) performance fund payments; special grants paid under section 88B of the Local Government Finance Act 1988 and section 31 of the Local Government Act 2003; Best Value grants to Parish Councils; grants to beacon councils; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended, and to the Commission for Local Administration England; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant in aid to the Standards Board for England and to Valuation Tribunal Service; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments; subscriptions to the Commonwealth Local Government forum and associated non-cash items.

The **Department for Communities and Local Government** will account for this Estimate.

† The responsibility for the work of the Deputy Prime Minister was transferred to the Deputy Prime Minister's Office on 5 May 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is reduced by £100,000 ;
- b) the net cash requirement is reduced by £100,000.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Housing Supply and Demand	146,920	-149	-	-149	146,771
RfR 1 - B Decent Places To Live	44,194	35,418	-	35,418	79,612
RfR 1 - C Tackling Disadvantage	92,987	1,839	-	1,839	94,826
RfR 1 - D Better Services	106,304	-18,994	1,711	-20,705	85,599
RfR 1 - F Central Administration	214,957	99	3,325	-3,226	211,731
RfR 1 - G Government Office Administration	123,023	34,838	19,093	15,745	138,768
RfR 1 - I European Structural Funds -Communities and Local Government	7,974	41,975	-	41,975	49,949
RfR 1 - L Housing Supply and Demand	961,603	-10,909	-	-10,909	950,694
RfR 1 - M Decent Places to Live	-131,425	-8,064	-45,000	36,936	-94,489
RfR 1 - N Tackling Disadvantage	2,260,343	3,000	-	3,000	2,263,343
RfR 1 - O Better Services	44,136	4,658	-	4,658	48,794
RfR 1 - P Development of English Regions	290,942	-1,250	3,750	-5,000	285,942
Non-Budget					
RfR 1 - U Housing Supply and Demand	2,479,974	2,804	-	2,804	2,482,778
RfR 1 - X Tackling Disadvantage	27,980	1,000	-	1,000	28,980
Total RfR 1		86,265	-17,121	103,386	
RfR 2: Providing for effective devolved decision making within a national framework					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - B Best value inspection subsidies to Public Corporations & best value intervention costs	27,491	-3,500	-	-3,500	23,991
RfR 2 - C Local Government Research and Publicity, MAPPING costs and Electoral law	4,267	88	-	88	4,355
RfR 2 - E Revenue support grants	3,912,866	44,000	-	44,000	3,956,866
RfR 2 - H Other Grants and Payments (resource grants)	1,039,550	-9,074	1,330	-10,404	1,029,146
Non-Budget					
RfR 2 - J Non-departmental public bodies	21,704	404	-	404	22,108
Total RfR 2		31,918	1,330	30,588	
Total Changes to RfRs		118,183	-15,791	133,974	

Department for Communities and Local Government

Spring Supplementary Estimate, 2006-07

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	49,863	2,813	52,676
Non-Operating A in A	107	-	107
Net cash requirement	33,425,650	216,227	33,641,877

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions								
381,219	1,046,483	8,894,972	10,322,674	648,882	9,673,792	52,676	107	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Housing Supply and Demand								
-	102,062	54,323	156,385	9,614	146,771	4,494	-	
B Decent Places To Live								
-	7,964	71,648	79,612	-	79,612	-	-	
C Tackling Disadvantage								
-	56,102	68,724	124,826	30,000	94,826	25	-	
D Better Services								
1	90,347	2,704	93,052	7,453	85,599	27,250	25	
E Development of English Regions								
-	520	1,329,146	1,329,666	-	1,329,666	-	-	
F Central Administration								
208,968	44,988	42	253,998	42,267	211,731	15,079	-	
G Government Office Administration								
172,250	3,000	-	175,250	36,482	138,768	5,548	-	
H European Structural Funds - net								
-	-	1	1	-	1	-	-	
I European Structural Funds -Communities and Local Government								
-	45,747	4,202	49,949	-	49,949	280	-	
J Ordnance Survey								
-	-	1,320	1,320	1,340	-20	-	-	
K Queen Elizabeth II Conference Centre Executive Agency								
-	-	117	117	1,409	-1,292	-	82	
<i>Support for Local Authorities</i>								
L Housing Supply and Demand								
-	-	950,694	950,694	-	950,694	-	-	
M Decent Places to Live								
-	-	5,511	5,511	100,000	-94,489	-	-	
N Tackling Disadvantage								
-	-	2,263,343	2,263,343	-	2,263,343	-	-	
O Better Services								
-	-	48,794	48,794	-	48,794	-	-	
P Development of English Regions								
-	-	291,192	291,192	5,250	285,942	-	-	
Q European Structural Funds - net								
-	-	1	1	-	1	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Decent Places to Live	-	695,819	-	695,819	-	-	
S	Better Services	-	-66	116	50	-	-	
Support for Local Authorities								
T	Better Services	-	-	148,000	148,000	-	-	
	<i>Housing Supply and Demand</i>	-	-	-	-	-	-	
Non-Budget								
U	Housing Supply and Demand	-	-	2,484,778	2,484,778	2,000	2,482,778	
V	Better Services	-	-	2,040	2,040	-	2,040	
W	Decent Places To Live	-	-	616,000	616,000	-	616,000	
X	Tackling Disadvantage	-	-	28,980	28,980	-	28,980	
	<i>European Structural Funds - Communities and Local Government</i>	-	-	-	-	-	-	
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
Y	Local Area Agreements	-	-	-	-	413,067	-413,067	
Support for Local Authorities								
Z	Local Area Agreements	-	-	523,296	523,296	-	523,296	
RfR 2: Providing for effective devolved decision making within a national framework								
		-	196,272	23,675,318	23,871,590	1,795	23,869,795	
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
A	Valuation services	-	167,450	-	167,450	-	167,450	
B	Best value inspection subsidies to Public Corporations & best value intervention	-	23,991	-	23,991	-	23,991	
C	Local Government Research and Publicity, MAPPING costs and Electoral law	-	4,820	-	4,820	465	4,355	
D	Local Governance	-	11	-	11	-	11	
Support for Local Authorities								
E	Revenue support grants	-	-	3,956,866	3,956,866	-	3,956,866	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
F	Non-domestic Rates Payments							
-	-	17,500,000	17,500,000	-	17,500,000	-	-	
G	London Governance							
-	-	37,868	37,868	-	37,868	-	-	
H	Other Grants and Payments (resource grants)							
-	-	1,030,476	1,030,476	1,330	1,029,146	-	-	
	<i>Other Grants and Payments (capital grants)</i>							
-	-	-	-	-	-	-	-	
Spending in Annually Managed Expenditure (AME)								
Support for Local Authorities								
I	Non-domestic Rates Outturn Adjustments and LABGIS							
-	-	1,128,000	1,128,000	-	1,128,000	-	-	
Non-Budget								
J	Non-departmental public bodies							
-	-	22,108	22,108	-	22,108	-	-	
Total for Estimate:								
381,219	1,242,755	32,570,290	34,194,264	650,677	33,543,587	52,676	107	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	33,409,613	133,974	33,543,587
Voted capital items			
Capital	49,863	2,813	52,676
<i>Less: Non-operating A in A</i>	<i>107</i>	<i>-</i>	<i>107</i>
Total net voted capital	49,756	2,813	52,569
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-7,166	-4,909	-12,075
Depreciation	-32,360	-5,651	-38,011
New provisions and adjustments to previous provisions	-8,223	-	-8,223
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	50,000	50,000
Increase(-)/decrease (+) in creditors	-	40,000	40,000
Use of provisions	14,030	-	14,030
Total accruals to cash adjustments	-33,719	79,440	45,721
Excess cash to be CFERd	-	-	-
Net Cash Requirement	33,425,650	216,227	33,641,877

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	2,268,302	<i>2,266,513</i>	1,270,302	<i>1,270,302</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	2,268,302	<i>2,266,513</i>	1,270,302	<i>1,270,302</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	324,499
RfR2	-
Total Net Administration Costs	324,499
Net Programme Costs	
RfR1	6,858,572
RfR2	23,715,165
Total Net Programme costs	30,573,737
Total Net Operating Cost	30,898,236
<i>of which:</i>	
Net Resource Requirement	33,543,587
Non-voted expenditure	-1,375,049
Consolidated Fund Extra Receipts	-1,270,302
Resource Budget	27,614,658

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	33,543,587
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-1,375,049
Consolidated Fund extra receipts in the OCS	-1,270,302
Other adjustments	-
Net Operating Costs (Accounts)	30,898,236
<i>Adjustments to remove:</i>	
capital grants	-1,965,525
European Union income related to capital grants	-
voted expenditure outside the budget	-12,185
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	1,270,302
resource consumption of non departmental public bodies	-2,491,493
unallocated resource provision	19,691
Other adjustments	-104,368
Resource Budget (Budget)	27,614,658
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	26,231,476
Annually Managed Expenditure (AME)	1,383,182

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	52,569
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	2,343,391
capital grants	1,965,525
European Union income related to capital grants	-
supported capital expenditure (revenue)	1,252,289
capital spending by levy funded bodies	-
unallocated capital provision	138,992
Other adjustments	308,553
Capital Budget (Budget)	6,061,319
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,061,319
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Peter Housden, Permanent Head of the Department for Communities and Local Government
Request for Resources 2	Christopher Wormald, Additional Accounting Officer and Director General of the Governance and Communications Group of the Department

Peter Housden as the Principal Accounting Officer of the Department for Communities and Local Government has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Communities and Local Government.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Government Accounting requirements the relationship between the Principal Accounting Officer and Additional Accounting Officer and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	
Administration	55,104
<i>of which:</i>	
Sale of goods and services	55,104
Programme	593,778
<i>of which:</i>	
Sale of goods and services	37,403
EU Income	-
Other grant income (including repayment of grants/subsidies)	1,822,034
Interest and dividends	4,643
CFERs	-1,270,302
Other income (including receipts)	-
Total RfR1	648,882 †
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments including contributions towards Local Area Agreements, agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; housing revenue receipts from local authorities; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered renovation or disabled facilities grants; recovered derelict land and other regeneration grants; charges made by the Planning Inspectorate executive agency in England and Wales; receipts from inspections by HM Fire Service Inspectorate; dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from the Urban Summit; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out and out of court settlements; residual items from the sale of the Building Research establishment; receipts associated with the Emergency Fire Services; former SRB programme receipts; and the sale of Property Services Agency businesses.</p>	
RfR 2: Providing for effective devolved decision making within a national framework	
Programme	1,795
<i>of which:</i>	
Sale of goods and services	1,795
Regulatory licences, fines, penalties and taxes	-
Total RfR2	1,795 †
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; the Home Office ; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and fines passed on by the Department for Constitutional Affairs</p>	
Total Operating A in A	650,677

Analysis of non - operating appropriations in aid (A in A)

Programme	107
<i>of which:</i>	
Sale of assets	-
Loan, etc, repayments	107

Total RFR1	107 †
† Amount that may be applied as non-operating appropriations in aid arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from, or shared with, valuation tribunal offices; repayment of deemed and voted loans made to the Queen Elizabeth II Conference Centre and the Fire Service College; receipts from the Housing Corporation and the sale of PSA businesses.	
Total Non - operating A in A	107

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision	Receipts
	Income	Receipts
Planning Inspectorate Executive Agency (fees received from appeals against enforcement notices) Φ	190	190
Central administration Φ	11	11
Pooled capital receipts from local authorities ●	660,000	660,000
Housing Revenue Account Subsidy Δ	590,101	590,101
Large Scale Voluntary Transfer Levy ●	20,000	20,000
Total	1,270,302	1,270,302

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	74,812	-27,892	26,004,477	226,999	26,231,476
<i>of which:</i>					
Administration budget*	5,852	-	324,499	-	324,499
Near-cash in RDEL	33,659	6,779	25,910,859	262,551	26,173,410
Capital**	58,397	-33,710	2,467,904	3,593,415	6,061,319
Less Depreciation†	-5,651	4,817	-38,011	1,488	-36,523
Total	127,558	-56,785	28,434,370	3,821,902	32,256,272

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
650,784

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body	£ million
RfR 1		
B	Commission for Architecture in the Built Environment ♥	6,400
E	Regional Development Agencies ♥	1,300,492
E	The Northern Way ♥	19,300
U	Housing Corporation ♥	2,069,051
U	Urban Regeneration Agency ♥	307,030
U	Other Growth Areas - Urban Regeneration Agency ♥	1,500
U	Other Growth Areas - West Northamptonshire Urban Development Corporation ♥	12,253
U	Thames Gateway - East England Development Agency ♥	2,900
U	Thames Gateway - South East England Development Agency ♥	700
U	Thames Gateway - Urban Regeneration Agency ♥	3,874
U	Thames Gateway - London Urban Development Corporation ♥	42,400
U	Thames Gateway - Thurrock Urban Development Corporation ♥	31,800
U	Leasehold Enfranchisement Advisory Service ♥	1,085
V	Firebuy ♥	2,040
X	Commission for Racial Equality ♥	19,100
X	Equal Opportunities Commission ♥	7,356
X	Community Development Foundation ♥	1,524
X	Commission for Equality and Human Rights ♥	1,000
RfR 2		
J	Standards Board for England ♥	11,885
J	Valuation Tribunal Service ♥	10,223

Deputy Prime Minister's Office

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Supporting the Deputy Prime Minister in carrying out his ministerial responsibilities.

Increases:

Machinery of Government Changes

- | | | |
|----|---|---------|
| 1. | To increase near-cash provision for Administration (Section A) by £587,000 by transfers from the Department for Communities and Local Government (£100,000) and from the Cabinet Office (£487,000). | 587,000 |
|----|---|---------|

Total change in resources for RfR1	587,000
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Total change in resources for Estimate	587,000
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2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £587,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Supporting the Deputy Prime Minister in carrying out his ministerial responsibilities.	†	587,000
Total additional net resource requirement		587,000
Additional net cash requirement	†	587,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Deputy Prime Minister's Office on:

RfR 1: Supporting the Deputy Prime Minister in carrying out his ministerial responsibilities.

administrative and operational costs and associated non-cash items.

The **Deputy Prime Minister's Office** will account for this Estimate.

† 1. Certain functions of the Deputy Prime Minister were transferred from the Department for Communities and Local Government on 5 May 2006. Within the overall changes sought in this Estimate, the specific changes relating to the machinery of government transfer are :

- a) the net resource requirement is increased by £100,000
- b) the net cash requirement is increased by £100,000.

† 2. Certain functions of the Deputy Prime Minister were transferred from the Cabinet Office on 5 May 2006. Within the overall changes sought in this Estimate, the specific changes relating to the machinery of government transfer are :

- a) the net resource requirement is increased by £487,000
- b) the net cash requirement is increased by £487,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Supporting the Deputy Prime Minister in carrying out his ministerial responsibilities.					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	1,960	587	-	587	2,547
Total RfR 1		587	-	587	
Total Changes to RfRs		587	-	587	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1,940	587	2,527

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Supporting the Deputy Prime Minister in carrying out his ministerial responsibilities.								
2,547	-	-	2,547	-	2,547	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
2,547	-	-	2,547	-	2,547	-	-	
Total for Estimate:								
2,547	-	-	2,547	-	2,547	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	1,960	587	2,547
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-20	-	-20
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-20	-	-20
Excess cash to be CFERd	-		-
Net Cash Requirement	1,940	587	2,527

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	2,547
Total Net Administration Costs	2,547
Net Programme Costs	
RfR1	-
Total Net Programme costs	-
Total Net Operating Cost	2,547
<i>of which:</i>	
Net Resource Requirement	2,547
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	2,547

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	2,547
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Net Operating Costs (Accounts)	2,547
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Resource Budget (Budget)	2,547
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,547
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Philip Cox, Principal Private Secretary to the Deputy Prime Minister

Philip Cox, as the Accounting Officer (AO) of the Deputy Prime Minister's Office has personal responsibility for the proper presentation of the Deputy Prime Minister's Office's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head, in addition to the responsibilities for any assigned RfRs, remains in general overall charge of the Deputy Prime Minister's Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	587	-	2,547	-	2,547
<i>of which:</i>					
Administration budget*	587	-	2,547	-	2,547
Near-cash in RDEL	587	-	2,527	-	2,527
Capital**	-	-	-	-	-
Less Depreciation†	-	-	-	-	-
Total	587	-	2,547	-	2,547

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Home Office

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Building a safe, just and tolerant society

Increases:

Take up of End-Year Flexibility:

£15,000,000 of near cash admin to section N to meet strategic objective 4, 'migration is managed to the benefit of the UK while preventing abuse of the immigration laws and of the asylum system. 15,000,000

Machinery of Government change:

£1,758,000 resources transferred from HM Revenue and Customs (HMRC) in respect of functions now carried out by the Serious Organised Crime Agency (SOCA). These resources have been allocated in this supplementary Estimate as follows:

i. Additional administration costs (section D) 1,661,000

ii. Increased grant in aid to SOCA (section Y). 97,000

DEL Reserve claims:

1. £7,125,000 each to OCE and grants in section D following application of the recovered assets guaranteed top up formula. 14,250,000

2. Drawdown of admin and OCE from the DEL reserve to meet budgetary pressures in the Home Office. This comprises:

Admin to section I 20,000,000

OCE to section I 30,000,000

Transfer from non-voted spending:

1. Admin to section O from the Departmental Unallocated Provision. This is a reallocation of budgetary cover. 8,763,000

2. OCE to section F from the Criminal Cases Review Commission in return for capital. 56,000

3. OCE to section F from the Criminal Injuries Compensation Authority in return for capital. 85,000

Increase in grant-in-aid to NDPB's:

1. Increase in grant in aid to section AC to reflect the transfer of capital from section F to the Youth Justice Board. See 'Capital, Decreases, Transfers to non voted spending' section below. 550,000

2. Increase in grant in aid to section AA to reflect the transfer of capital from section I to the Parole Board. See 'Capital, Decreases, Transfers to non voted spending' section below. 140,000

3. Increase in grant-in-aid to section Y representing the capital provision transferred from HMRC to SOCA as part of the MOG transfer. 289,000

Other increases:

1. Increase in OCE spending on section K. This is a return of budgetary cover from the Department for Education and Skills following a change in education function of the Learning and Skills Council. 947,000

2. Increase in OCE spending on section F. This is a return of CJSIT budgetary cover from the Department for Constitutional Affairs. 2,999,000

3. Increase in OCE spending on section F for local criminal justice boards. Funded in budgetary terms by a reallocation of resource DEL from the Department for Constitutional Affairs. 2,000,000

4. Increase in grants spending on section AL from capital in section A following a reallocation of capital DEL to the 'Safer and Stronger Communities' programme. The corresponding decrease in capital is shown in the 'Changes in capital - Decreases' section below. 12,593,000

Introduction (*continued*)

- | | |
|---|-----------|
| 5. Increase in grants spending on section AM for the "No Witness No Justice" partnership programme. Funded in budgetary terms by a reallocation of resource DEL from the Crown Prosecution Service. | 364,000 |
| 6. Increase in OCE spending on section M for the single asylum budget. Funded in budgetary terms by a reallocation of resource DEL from the Department for Constitutional Affairs. | 6,000,000 |

Decreases:

Decrease in grant-in-aid to NDPB's

- | | |
|---|-------------|
| Decrease in grant-in-aid to section V to reflect the transfer of capital from PITO to Section N. See 'Capital, Increases, Transfers from non-voted spending' section below. | -24,600,000 |
|---|-------------|

Other decreases:

- | | |
|--|-------------|
| 1. Decrease in spending. A reallocation of resource DEL to the Department for Education and Skills to provide funding for educational needs in prison establishments. This comprises: | |
| i. OCE from section I | -593,000 |
| ii. OCE from section K | -11,000 |
| 2. Decrease in OCE spending in section I. A reallocation of resource DEL to the Department for Constitutional Affairs following postponement of Custody Plus. | -1,603,000 |
| 3. Decrease in OCE spending in section F. A reallocation of CJSIT resource DEL to the Department for Constitutional Affairs for development of a software application to help implement recommendation 7 of the Bichard enquiry. | -129,000 |
| 4. Decrease in OCE (£6,500,000) and grants (£5,500,000) spending in section D to match revised forecast of recovered asset expenditure. | -12,000,000 |

Neutral changes

Spending offset by income

- | | |
|---|---|
| 1. Increase in OCE of £12,215,000 to section Q offset by additional appropriations in aid to section M in respect of the Clearsprings contract VAT recovery. | |
| 2. Increase in grants of £100,000 to section B for the domestic violence helpline of UK Refugees online offset by appropriations in aid from the Department for Communities and Local Government. | - |
| 3. Increase in admin of £17,496,000 to section C to cover increased volume offset by additional appropriations in aid. | - |
| 4. Increase in programme of £17,000,000 to section M for the forecast increase in managed migration work, offset by additional appropriations in aid. | - |
| 5. Increase in OCE of £625,000 to section A following repayment of loan interest by the Forensic Science Service. Increase offset by additional appropriations in aid. | - |

Movements of provision within the RfR

- | | |
|--|---|
| 1. £39,000,000 OCE from section N to section I to fund extra capacity in prisons. | - |
| 2. £31,000,000 OCE from section I to section K to cover the extra costs and capacity pressures | - |
| 3. £350,000 admin from section O to section M for the IND management development under people strategy. | - |
| 4. £339,000 admin from section E to section O following the formation of the International Directorate. | |
| 5. £340,000 grants in section E to OCE in section O following the formation of the International Directorate. | - |
| 6. £234,000 OCE from section I to section K for the Chromis programme at HMP Frankland & Rampton Hospital (computer programme for monitoring psychopaths). | - |
| 7. £1,224,000 OCE from section I to section K to fund the Dangerous & Severe Personality Disorder Units at HMP Whitemoor (£650,000), Frankland (£252,000) and Low Newton (£322,000). | - |
| 8. £11,105,000 OCE from section I to section K for estate planning and development funding. | - |
| 9. £272,000 OCE from section I to section L for the unit dealing with offending behaviour programmes. | - |
| 10. £6,857,000 OCE from section I to section K for escorts and maintenance costs. | - |
| 11. £292,000 OCE from section K to section I for maintenance costs. | - |

Introduction (continued)

12. £225,000 admin from section I to section K for work on the Quantum refresh and telephony costs.	-
13. £1,505,000 OCE from section J to section I for education funding.	-
14. £100,000 admin from section K to section L for restructuring costs.	-
15. £5,536,000 OCE from section J to section L for job evaluation scheme costs.	-
16. £5,196,000 OCE from section K to section L for the job evaluation scheme costs.	-
17. £3,714,000 admin from section K to section I for restructuring costs.	-
18. £2,500,000 admin from section O to section I for extra capacity funding.	-
19. £1,000,000 grants from section Q to section E following the restructuring and formation of the Crime & Drugs Directorate.	-
20. £165,000 grants from section Q to OCE in section E following the restructuring and formation of the Crime & Drugs Directorate.	-
21. £130,000 grants from section O to section E for the Phillip Lawrence Awards.	-
22. £680,000 OCE from section Q to section F for allocating funds according to the CJS IT Delivery Plan.	-
23. £17,290,000 grants from section Q to OCE in section I for the National Offender Management Information Service (NOMIS) project.	-
24. £166,627,000 OCE from section M to grants in section T for re-classifying expenditure from central government to local authority support	-
25. £62,000,000 grants from section O to section D for recovered asset related payments.	-
26. £39,666,000 grants from section R to section AL for the 'Safer and Stronger Communities' programme.	-
27. £7,468,000 grants from section E to section AL for the 'Safer and Stronger Communities' programme.	-
28. £4,591,000 grants from section F to section AM following reclassification of the grants as 'Support for Local Authorities'.	-

Movements of grant-in-aid and non-voted spending to and from NDPB's and similar bodies:

1. £400,000 OCE from section I to grants in section AB for resource funding associated with a capital project.	-
2. £1,500,000 OCE from section I to grants in section AC to provide additional funding for IT.	-
3. £1,034,000 OCE from section I to grants in section AA for additional costs resulting from the Smith and West case ruling.	-
4. £467,000 OCE from section J to grants in section AA for additional costs resulting from the Smith and West case ruling.	-
5. £3,016,000 OCE from section I to grants in section AC for additional capacity at the Youth Justice Board.	-
6. £20,121,000 OCE from section K to grants in section AB following a budget realignment.	-
7. £270,000 grants from section Q to section AC for the National Offender Management Information Service (NOMIS) project.	-

Total change in resources for RfR1 76,858,000

Total change in resources for Estimate 76,858,000

Changes in capital**Increases:**Take up of End-Year Flexibility:

Capital to section I to expand prison capacity. 30,000,000

DEL Reserve claims:

Capital to section I to fund the prisons capacity building programme. 50,000,000

Transfer from non-voted spending:

Transfer of capital from PITO to Section N to support revised budget delegation. Reduction of PITO grant in aid is shown in the 'Changes in resources - Decreases' section above. 24,600,000

Introduction (*continued*)

Other increases:

Additional capital spending in section F. Funded in budgetary terms by a reallocation of CJSIT capital DEL from the Department for Constitutional Affairs. 565,000

Decreases:

Transfer to non-voted spending:

1. Transfer of capital from section F to the Youth Justice Board for the Youth Justice system IT programme. Increase in YJB grant in aid is shown in the 'Changes in resources - Increases' section above. -550,000
2. Transfer of capital from section F to the Criminal Cases Review Commission in return for resource. -56,000
3. Transfer of capital from section F to the Criminal Injuries Compensation Authority in return for resource. -85,000
4. Transfer of capital from section I to the Parole Board for IT equipment. Increase in Parole Board grant in aid is shown in the 'Changes in resources - Increases' section above. -140,000

Other decreases:

1. Decrease in capital spending in section F. A reallocation of capital DEL to the Department of Constitutional Affairs for the CJIT funded 'XHIBIT' internet portal. -170,000
2. Decrease in capital spending in section A. A reallocation of capital DEL to the 'Safer and Stronger Communities' programme. The corresponding increase in grants is shown in the 'Changes in resources - Increases' section above. -12,593,000

Neutral changes:

Spending offset by income

1. Increase in capital of £4,672,000 to section I offset by non operating appropriations in aid. -
2. Increase in capital of £12,614,000 to section A following repayment of loan capital by the Forensic Science Service. Increase offset by non operating appropriations in aid. -

Movements of provision within the RfR

1. £420,000 capital from section K to section O to meet Phoenix related costs. -
2. £100,000 capital from section I to section K to fund the Dangerous & Severe Personality Disorder Unit at HMP Frankland (£60,000) and Low Newton (£40,000). -
3. £1,300,000 capital from section I to section K for prison capacity. -
4. £4,054,000 capital transfer from section J to section I to meet capacity pressures in the public prison estate. -
5. £289,000 capital provision transferred from HMRC to SOCA. However, there is no increase in capital provision in the Supplementary Estimate specifically for this as SOCA is an NDPB and capital expenditure, although still in capital budgets, appears as part of the grant in aid to SOCA (section Y) on the resource side of the Estimate. -

Total change in capital for Estimate 91,571,000

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £168,213,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Building a safe, just and tolerant society	†	76,858,000
Total additional net resource requirement		76,858,000
Additional net cash requirement	†	168,213,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Home Office on:

RfR 1: Building a safe, just and tolerant society

Police; set-up costs, loans and investments in the Forensic Science Service; registration of forensic practitioners; criminal policy and programmes including offender programmes and the National Probation Service, fire and emergency planning; the prevention and treatment of drug abuse; crime reduction and prevention; provision of services relating to the Crime and Disorder Act and the Private Security Industry Act; criminal justice planning system and other services related to crime; support to the voluntary sector; family policy issues; research; identity cards; identity management; criminal injuries compensation; organised and international crime, including the Serious Organised Crime Agency; control of immigration and nationality (including the provision of services relating to the Immigration and Asylum Act 2002); support for asylum seekers, refugees (including the provision of loans) and VCS refugee organisations; refunds of fines to carriers of inadequately documented passengers; assisted return programmes including interception projects; issue of passports; work permits; community and constitutional services and the Experience Corps; firearms compensation and related matters; claims by local authorities for the Kosovan evacuees special grant; support to local authorities: payments to local authorities in respect of Local Area Agreements; payments to other Government departments; payments of grant and grant-in-aid to organisations promoting Home Office objectives; including NDPBs; placements in secure accommodation under Sections 90 or 91 of the Powers of Criminal Courts (Sentencing) Act 2000; Prisons (including central administration and other costs arising from the detention of prisoners); immigration removal centres; Prison Service colleges; the Parole Board: the storage and maintenance of equipment; transport management; grants to 'Prisoners Abroad': Welfare to Work schemes; funding for joint initiatives within the criminal justice system; the administration and operation of the department; and associated non-cash items.

The Home Office will account for this Estimate.

† 1) The functions that will now be undertaken by the Serious Organised Crime Agency were transferred from HM Revenue and Customs on 1 April 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- the net resource requirement is increased by £1,758,000;
- capital expenditure is increased by £289,000; and
- the net cash requirement is increased by £1,831,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Building a safe, just and tolerant society					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Police	35,683	625	625	-	35,683
RfR 1 - B Crime reduction	15,607	100	100	-	15,607
RfR 1 - C Criminal Records Bureau	-3,180	17,496	17,496	-	-3,180
RfR 1 - D Organised and international crime	248,307	65,911	-	65,911	314,218
RfR 1 - E Drugs	20,941	-6,852	-	-6,852	14,089
RfR 1 - F Criminal justice	115,564	1,100	-	1,100	116,664
RfR 1 - I Corrections HQ	846,071	55,239	-	55,239	901,310
RfR 1 - J Prisons - private sector	249,538	-7,508	-	-7,508	242,030
RfR 1 - K Prisons - public sector	1,909,085	22,158	-	22,158	1,931,243
RfR 1 - L Probation HQ	40,302	11,104	-	11,104	51,406
RfR 1 - M Immigration and nationality	1,479,113	-143,277	29,215	-172,492	1,306,621
RfR 1 - N Passport Service	56,400	-24,000	-	-24,000	32,400
RfR 1 - O Central Services	317,875	-55,538	-	-55,538	262,337
<i>Support for Local Authorities</i>					
RfR 1 - Q Police grants	5,552,894	-7,190	-	-7,190	5,545,704
RfR 1 - R Crime reduction grants	247,399	-39,666	-	-39,666	207,733
RfR 1 - T Immigration and nationality grants	632	166,627	-	166,627	167,259
Non-Budget					
RfR 1 - V Police Information Technology Organisation	413,837	-24,600	-	-24,600	389,237
RfR 1 - Y Serious Organised Crime Agency	397,272	386	-	386	397,658
RfR 1 - AA Parole Board	4,830	1,640	-	1,640	6,470
RfR 1 - AB National Probation Service (local area boards)	832,164	20,521	-	20,521	852,685
RfR 1 - AC Youth Justice Board	449,327	5,336	-	5,336	454,663

Part II: Changes proposed (*continued*)

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
Spending in Departmental Expenditure Limits (DEL)					
<i>Support for Local Authorities</i>					
RfR 1 - AL Local Area Agreements	-	59,727	-	59,727	59,727
RfR 1 - AM Criminal justice grants	-	4,955	-	4,955	4,955
RfR 1 - AN Other grants	-	-	-	-	-
Total RfR 1		124,294	47,436	76,858	
Total Changes to RfRs		124,294	47,436	76,858	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	552,279	108,857	661,136
Non-Operating A in A	-	17,286	17,286
Net cash requirement	14,229,684	168,213	14,397,897

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Building a safe, just and tolerant society								
1,117,681	5,108,061	9,150,545	15,376,287	1,175,240	14,201,047	661,136	17,286	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Police							
37,760	2,798	-	40,558	4,875	35,683	26,680	12,614	
B	Crime reduction							
15,221	386	100	15,707	100	15,607	-	-	
C	Criminal Records Bureau							
94,820	-	-	94,820	98,000	-3,180	2,923	-	
D	Organised and international crime							
5,615	244,978	63,625	314,218	-	314,218	-	-	
E	Drugs							
16,102	1,000	42,742	59,844	45,755	14,089	-	-	
F	Criminal justice							
18,864	77,994	39,972	136,830	20,166	116,664	39,591	-	
G	Communities group							
-	-	-	-	-	-	-	-	
H	Futurebuilders							
-	-	-	-	-	-	-	-	
I	Corrections HQ							
117,073	837,180	57	954,310	53,000	901,310	380,051	4,672	
J	Prisons - private sector							
2,777	239,253	-	242,030	-	242,030	-	-	
K	Prisons - public sector							
76,247	2,172,996	-	2,249,243	318,000	1,931,243	17,184	-	
L	Probation HQ							
4,152	47,254	-	51,406	-	51,406	4,200	-	
M	Immigration and nationality							
116,756	1,403,375	23,150	1,543,281	236,660	1,306,621	113,102	-	
N	Passport Service							
406,163	13,900	-	420,063	387,663	32,400	67,700	-	
O	Central Services							
206,131	66,947	280	273,358	11,021	262,337	9,705	-	
P	European Refugee Fund							
-	-	1	1	-	1	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<i>Support for Local Authorities</i>								
Q	Police grants	-	5,545,704	5,545,704	-	5,545,704	-	
R	Crime reduction grants	-	207,733	207,733	-	207,733	-	
S	Organised and international crime grants	-	214,567	214,567	-	214,567	-	
T	Immigration and nationality grants	-	167,259	167,259	-	167,259	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
U	Police superannuation	-	270	270	-	270	-	
Non-Budget								
V	Police Information Technology Organisation	-	389,237	389,237	-	389,237	-	
W	Central Police Training and Development Agency	-	83,881	83,881	-	83,881	-	
X	Independent Police Complaints Commission	-	28,530	28,530	-	28,530	-	
Y	Serious Organised Crime Agency	-	397,658	397,658	-	397,658	-	
Z	Security Industry Authority	-	1	1	-	1	-	
AA	Parole Board	-	6,470	6,470	-	6,470	-	
AB	National Probation Service (local area boards)	-	852,685	852,685	-	852,685	-	
AC	Youth Justice Board	-	454,663	454,663	-	454,663	-	
AD	Criminal Injuries Compensation Authority	-	254,114	254,114	-	254,114	-	
AE	Criminal Cases Review Commission	-	6,715	6,715	-	6,715	-	
AF	Community Development Foundation	-	-	-	-	-	-	
AG	Commission for Racial Equality	-	-	-	-	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000	
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
AH Office of the Immigration Service Commissioner	-	-	3,689	3,689	-	3,689	-	-
AI Capacity Builders Agency	-	-	-	-	-	-	-	-
AJ Loan charges	-	-	12,760	12,760	-	12,760	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Support for Local Authorities</i>								
AK Police superannuation	-	-	290,000	290,000	-	290,000	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Support for Local Authorities</i>								
AL Local Area Agreements	-	-	59,727	59,727	-	59,727	-	-
AM Criminal justice grants	-	-	4,955	4,955	-	4,955	-	-
AN Other grants	-	-	-	-	-	-	-	-
Total for Estimate:								
1,117,681	5,108,061	9,150,545	15,376,287	1,175,240	14,201,047	661,136	17,286	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	14,124,189	76,858	14,201,047
Voted capital items			
Capital	552,279	108,857	661,136
<i>Less: Non-operating A in A</i>	<i>-</i>	<i>17,286</i>	<i>17,286</i>
Total net voted capital	552,279	91,571	643,850
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-402,602	-230	-402,832
Depreciation	-91,069	14	-91,055
New provisions and adjustments to previous provisions	800	-	800
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	3,038	-	3,038
Increase(+)/decrease (-) in debtors	4,971	-	4,971
Increase(-)/decrease (+) in creditors	6,169	-	6,169
Use of provisions	31,909	-	31,909
Total accruals to cash adjustments	-446,784	-216	-447,000
Excess cash to be CFERd	-	-	-
Net Cash Requirement	14,229,684	168,213	14,397,897

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	133,256	<i>133,256</i>	121,256	<i>121,256</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	62,708	<i>62,708</i>	62,708	<i>62,708</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	195,964	<i>195,964</i>	183,964	<i>183,964</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	610,297
Total Net Administration Costs	610,297
Net Programme Costs	
RfR1	13,590,750
Non-voted	-121,256
Total Net Programme costs	13,469,494
Total Net Operating Cost	14,079,791
<i>of which:</i>	
Net Resource Requirement	14,201,047
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-121,256
Resource Budget	13,468,887

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	14,201,047
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-121,256
Other adjustments	-
Net Operating Costs (Accounts)	14,079,791
<i>Adjustments to remove:</i>	
capital grants	-375,877
European Union income related to capital grants	-
voted expenditure outside the budget	-865,445
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	8,256
resource consumption of non departmental public bodies	-220,589
unallocated resource provision	10,000
Other adjustments	832,751
Resource Budget (Budget)	13,468,887
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	13,177,742
Annually Managed Expenditure (AME)	291,145

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	643,850
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	244,877
capital grants	375,877
European Union income related to capital grants	-
supported capital expenditure (revenue)	73,320
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,337,924
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,337,924
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Sir David Normington, Permanent Head of the Department

Sir David Normington as the Accounting Officer of the Home Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Home Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Building a safe, just and tolerant society

Administration	507,384
<i>of which:</i>	
Sale of goods and services	507,384
Programme	667,856
<i>of which:</i>	
Sale of goods and services	604,162
Receipts from other government departments	45,855
EU receipts	4,999
VAT receipts	12,215
Receipts from Forensic Science Service	625
Total RfR1	1,175,240 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: receipts from government departments, overseas Governments, sale and hire of vehicles, plant, machinery, land and buildings, rent, accommodation charges, sale of equipment and scrap, recoveries of VAT, tax rebates, recovery of salaries of staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, telephone, postal and bank charge recoveries, tax rebates, European Fast Stream receipts from the Cabinet Office, subsidies under the Welfare to Work programme, contributions towards grant programmes, training services, profit on the sale of capital assets, compensation and insurance, contributions towards criminal justice system initiatives, rebates and commission from service contracts, payments from Health Authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England, payment of dividends and repayment of principal and interest on the deemed and long-term loans by the Forensic Science Service, receipts from police training courses and repayment services, police examinations board, Police National Computer Organisation repayment services, loan of specialised equipment, repayment of support for Police Dependants Trust, National Identification Bureau-subject access fees, HM Inspectorate of Constabulary inspection, Superintendents Association contribution to police negotiating machinery, research repayment services and sub-bureaux contributions to Interpol subscription, payments in respect of the lease of Allington Towers, fees for licence for production, supply, possession, import and export of controlled drugs, police services superannuation transfer values received from local authorities, fees for documents of identity: receipts under the Data Protection Acts 1984 and 1998 and Freedom of Information Act 2000, charges for provision of additional (or special) immigration services, receipts in connection with the Channel Tunnel, from carrying companies for any expenses incurred in respect of certain persons detained or liable to be detained under the Immigration Act 1971 and Immigration and Nationality Act 1999, fees under the British Nationality Acts 1948 and 1981, fees for Certificates of Entitlement for Right of Abode, fees for passports in respect of services to individual applicants, fees for work permits and after entry charges under the Asylum and Immigration Act 2002, recoveries related to passport search fees, receipts under the Misuse of Drugs Act 1971, fees payable to the Commissioner for the Registration of Immigration Advisors, income from rental charges for television sets, share of gross profits from prison shops and from services purchased by staff etc. from the activities of prison industries and farms, from the supply of inmate labour and from other goods and services, agricultural subsidies from advertisements in the Prison Service News, from the sale of waste and payments from the Youth Justice Board.

Total Operating A in A	1,175,240
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Notes to the Estimate (*continued*)

Analysis of non - operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Building a safe, just and tolerant society

Programme	17,286
<i>of which:</i>	
Sale of assets	4,672
Capital repayment of loan by Forensic Science Service	12,614

Total RfR1	17,286 †
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† Amounts that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of land, buildings, plant, equipment, vehicles and other capital assets payment from the Youth Justice Board, payment from the Department for Education and Skills, and contributions to criminal justice system initiatives.

Total Non - operating A in A	17,286
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Passport fee receipts	●	62,708	62,708
Carriers liability receipts	●	8,256	8,256
Income from recovered assets	Φ	113,000	113,000
Total		183,964	183,964

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000 Total
	Voted	Non-voted	Voted	Non-voted	
Resource DEL	60,982	73,300	11,044,497	2,133,245	13,177,742
<i>of which:</i>					
Administration budget*	45,424	-8,763	610,297	-	610,297
Near-cash in RDEL	60,766	40,000	10,551,410	2,083,914	12,635,324
Capital**	104,164	-23,480	1,019,727	318,197	1,337,924
Less Depreciation†	14	-	-91,055	-18,514	-109,569
Total	165,160	49,820	11,973,169	2,432,928	14,406,097

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	1,192,526

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR1 - E3	Grant to the Independent Custody Visiting Association	250
RfR1 - E3	Grant to the Council for the Registration of Forensic Practitioners	300
RfR1 - E3	Police Superintendants Association	380
RfR1 - E3	Police Federation	135
RfR1 - E3	Grant to the association for Bereavement Counselling of Road Accident Victims	28
RfR1 - E3	National Black Police Association (NBPA)	80
RfR1 - E3	Association of Chief Police Officers (ACPO)	470
RfR1 - E3	British Association of Women Police (BAWP)	35
RfR1 - E3	Police Negotiating Board (PNB) – Independent Secretariat	52
RfR1 - E3	Police Negotiating Board – Official Side Secretariat	242
RfR1 - E3	Police Negotiating Board – Staff side	126
RfR1 - F3	Eaves Housing for Women	216
RfR1 - F3	Brake	50
RfR1 - F3	Support After Murder & Manslaughter	140
RfR1 - F3	Rape Crisis Federation	448
RfR1 - I3	Institute of Psychiatry Home Office Teaching Unit	350
RfR1 - I3	Fawcett Society	35
RfR1 - I3	National Association for Care & Resettlement of Offenders (NACRO)	221
RfR1 - I3	Centre for Criminology Justice Economics & Psychology	250
RfR1 - I3	Revolving Doors	44
RfR1 - I3	Grant for a diversity restorative justice research pilot	525
RfR1 - M3	RETAS (FREE project) - grants for training/education	30
RfR1 - M3	Refugees into jobs - grants for training/education	433

Grants in aid

RfR/Section	Body	£ '000
RfR1 - M	Immigration Advisory Service and Refugee Legal Council	18,475
RfR1 - V	Police Information Technology Organisation	389,237
RfR1 - W	Central police training and development agency (CENTREX)	83,881
RfR1 - X	Independent Police Complaints Commission	28,530
RfR1 - Y	Serious Organised Crime Agency	397,658
RfR1 - AA	Parole Board	6,470
RfR1 - AB	Probation Service grant to local area boards	852,685
RfR1 - AC	Youth Justice Board	454,663
RfR1 - AD	Criminal Injuries Compensation Authority	254,114
RfR1 - AE	Criminal Cases Review Commission	6,715
RfR1 - AH	Office of The Immigration Services Commissioner	3,689

Assets Recovery Agency

Introduction

1. This Supplementary Estimate is required for the following purposes:

Changes in resources

Amount £

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation

Increases:

Token increase

A net token increase in resources. This reflects additional resources of £1,415,000 (subhead A2) offset by an increase in appropriations-in-aid (subhead A5) of £1,414,000. Increases in receipts relating to accommodation and ICT provision for the London Regional Assets Recovery Team and Enforcement Task Force, conference income and Regional Assets Recovery Team Financial Investigators.

Total change in resources for RfR1 1,000

Total change in resources for Estimate 1,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £900,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	900,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Assets Recovery Agency on:

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation

Payments and expenses related to investigation, litigation and enforcement of referred cases from law enforcement agencies, expenses for the development and delivery of specialist training courses in financial investigation and other associated asset identification and recovery, expenses related to the administration and management of the service provision and associated non-cash items.

The Assets Recovery Agency will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Helping to reduce crime	15,552	1,415	1,414	1	15,553
Total RfR 1		1,415	1,414	1	
Total Changes to RfRs		1,415	1,414	1	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	16,163	900	17,063

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation								
3,972	24,006	-	27,978	12,425	15,553	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Helping to reduce crime								
3,972	24,006	-	27,978	12,425	15,553	-	-	
Total for Estimate:								
3,972	24,006	-	27,978	12,425	15,553	-	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	15,552	1	15,553
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	72		72
Depreciation	-413	-	-413
New provisions and adjustments to previous provisions	-2	-	-2
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-80	-	-80
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-1,826	2,003	177
Increase(-)/decrease (+) in creditors	2,860	-1,104	1,756
Use of provisions	-	-	-
Total accruals to cash adjustments	611	899	1,510
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,163	900	17,063

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	3,897
Total Net Administration Costs	3,897
Net Programme Costs	
RfR1	11,656
Total Net Programme costs	11,656
Total Net Operating Cost	15,553
<i>of which:</i>	
Net Resource Requirement	15,553
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	15,553

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	15,553
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	15,553
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	15,553
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	15,553
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Jane Earl, Director of the Assets Recovery Agency

Jane Earl as the Accounting Officer of the Asset Recovery Agency has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Assets Recovery Agency.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation

Administration	75
<i>of which:</i>	
Interest from recovered assets	75
Programme	12,350
<i>of which:</i>	
Receipts from Conferencing	150
Delivery of specialist training courses in financial investigation	300
Shared Accommodation and ICT receipts	965
Incentivisation receipts, recovered assets applied and RAIF receipts	10,935
Total RfR1	12,425 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: amounts recovered through civil recovery, asset recovery incentivisation from the Home Office, delivery of specialist training courses in financial investigation and other associated asset identification and recovery, shared accommodation and ICT receipts, conferencing income and interest on recovered amounts.

Total Operating A in A	12,425
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	15,553	-	15,553
<i>of which:</i>					
<i>Administration budget*</i>	-	-	3,897	-	3,897
<i>Near-cash in RDEL</i>	1	-	15,130	-	15,130
Capital**	-	-	-	-	-
Less Depreciation†	-	-	-413	-	-413
Total	1	-	15,140	-	15,140

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	12,425

Charity Commission

Introduction

1. This Supplementary Estimate is required for the following purposes:

Changes in resources

RfR 1: Giving the public confidence in the integrity of charity

Increases:

Take up of End Year Flexibility

Take up of administration costs EYF on subhead A1 (all near-cash) for initial costs of £200,000 in new Charities Act expenditure including recruitment of new Commissioners, £500,000 of expenditure on staff severances to reduce baseline pay costs and £200,000 in respect of dilapidations on the London Office.	900,000
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Total change in resources for RfR1	900,000
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Total change in resources for Estimate	900,000
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2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £900,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Giving the public confidence in the integrity of charity	900,000
Total additional net resource requirement	900,000
Additional net cash requirement	900,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Charity Commission on:

RfR 1: Giving the public confidence in the integrity of charity

Administration, capital expenditure and associated non-cash items.

The Charity Commission will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Giving the public confidence in the integrity of charity					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	30,243	900	-	900	31,143
Total RfR 1		900	-	900	
Total Changes to RfRs		900	-	900	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	1,399	-	1,399
Non-Operating A in A	-	-	-
Net cash requirement	30,541	900	31,441

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Giving the public confidence in the integrity of charity								
31,613	-	-	31,613	470	31,143	1,399	-	
check line (not for printing)			31,613		31,143			
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
31,613	-	-	31,613	470	31,143	1,399	-	
Total for Estimate:								
31,613	-	-	31,613	470	31,143	1,399	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	30,243	900	31,143
Voted capital items			
Capital	1,399	-	1,399
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	1,399	-	1,399
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-100	-188
Depreciation	-650	-350	-1,000
New provisions and adjustments to previous provisions	-93	-200	-293
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-100	-280
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-40	-	-40
Increase(-)/decrease (+) in creditors	-50	-50	-100
Use of provisions	-	800	800
Total accruals to cash adjustments	-1,101	-	-1,101
Excess cash to be CFERd	-	-	-
Net Cash Requirement	30,541	900	31,441

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	31,143
Total Net Administration Costs	31,143
Net Programme Costs	
RfR1	-
Total Net Programme costs	-
Total Net Operating Cost	31,143
<i>of which:</i>	
Net Resource Requirement	31,143
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	31,143

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	31,143
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	31,143
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	31,143
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	31,143
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	1,399
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,399
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,399
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Andrew Hind, Chief Executive of the Charity Commission

Andrew Hind as the Accounting Officer of the Charity Commission has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Charity Commission.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Giving the public confidence in the integrity of charity	
Administration	470
<i>of which:</i>	
Sale of goods and services	470
Programme	-
<i>of which:</i>	
Total RfR1	470 †
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of copies of documents, and amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project.	
Total Operating A in A	470

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	900	-	31,143	-	31,143
<i>of which:</i>					
<i>Administration budget*</i>	900	-	31,143	-	31,143
<i>Near-cash in RDEL</i>	100	800	29,332	800	30,132
Capital**	-	-	1,399	-	1,399
Less Depreciation†	-350	-	-1,000	-	-1,000
Total	550	-	31,542	-	31,542

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	470

Department for Constitutional Affairs

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in resources</u>	
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	
Increases:	
<u>Take up of End Year Flexibility (EYF)</u>	
1. Additional resources as near-cash (subhead A2) in relation to additional costs associated with LIBRA and ARAMIS contracts. A draw down of DCA's EYF entitlement.	4,400,000
2. Additional resources as near-cash (subhead A1) in relation to additional costs associated with LIBRA and ARAMIS contracts. A draw down of the The National Archives EYF entitlement.	1,600,000
<u>Other increases</u>	
1. Additional resources on subhead C2 in relation to Custody Plus. Funded in budgetary terms by a reallocation of resource DEL from the Home Office.	1,460,000
2. Additional resources on subhead C2 in relation to CJS Training Costs for Custody Plus. Funded in budgetary terms by a reallocation of resource DEL from Home Office.	119,000
3. Additional spending on subhead A2 relating to CJIT costs incurred on the Bichard Recommendation IT solution project. Funded in budgetary terms by a reallocation of resource DEL from the Home Office.	129,000
4. Additional resources on subhead A2 in relation to PROGRESS. Funded in budgetary terms by a reallocation of resource DEL from the Crown Prosecution Service (CPS).	460,000
5. Additional resources on subhead A2 in relation to CJS Training Costs for Custody Plus. Funded in budgetary terms by a reallocation of resource DEL from Home Office.	24,000
6. Additional resources on subhead A1, to cover the move to a hard-charging regime for the costs of the Parliamentary Council Office. Funded in Budgetary terms by a reallocation of resources from the Cabinet Office.	672,000
7. Additional resources on subhead A2 (£20,340,000) and subhead E2 (£29,660,000) in relation to increased provisions in respect of staff restructuring and Central Fund provisions. Funded in budgetary terms by a transfer from the Community Legal Services non-cash provision.	50,000,000
Decreases:	
<u>Other decreases</u>	
1. A reduction in spending on subhead A2. A reallocation of resource DEL to DCLG in respect of Commission for Equality & Human Rights (CEHR)	-1,000,000
2. A reduction in spending on subhead A2. A reallocation of resource DEL to the National Assembly for Wales for spending on the extra burdens for Local Authorities arising from the Electoral Administration Act 2006.	-1,190,000
3. A reduction in spending on subhead C2. A reallocation of resource to Home Office in relation to Local Criminal Justice Boards.	-2,000,000
4. A reduction in spending on subhead A2 in relation to CJIT. A reallocation of resource DEL to Home Office for spending on the Site Acceptance Testing Environment.	-334,000
5. A reduction in spending on subhead C2 in relation to CJIT. A reallocation of resource DEL to Home Office for spending on the NES IT Programme Pathfinder Phase.	-2,500,000
6. A reduction in spending on subhead A2 in relation to CJIT. A reallocation of resource DEL to Home Office for spending on PROGRESS.	-165,000
7. A reduction in resource spending (administration costs - subhead A1) to facilitate spending on minor works within The National Archives. This is offset in budgetary terms by a reallocation of DEL cover within the Department of Constitutional Affairs group.	-500,000
8. A reduction in spending on subhead A2. A reallocation of resource DEL to Home Office in respect of Single Asylum Fund.	-6,000,000

Introduction (*continued*)

Neutral Changes:

Increased expenditure offset by income

- | | |
|--|---|
| 1. £772,000 resources on subhead F2 and F5 in relation to changes in workload in the Costs Recovery Tribunals. | - |
| 2. £68,000 resources on subhead A1 and A5 in relation to refunds associated with travel expenses and legal fees. | - |
| 3. £370,000 resources on subhead A1 and A5 in relation to additional income in respect of coroners expenses. | - |
| 4 £4,500,000 resources to subhead C2 and C5 in relation to increased Court Funds Office expenditure | - |

Movement of provision between sections within RfR

- | | |
|--|---|
| 1. £67,000 resource from subhead C2 to subhead A2 in respect of Gloucester Magistrates Witness Room. | - |
| 2. £656,000 resource from subhead C2 to subhead F2 to reflect transfer of estates budget. | - |
| 3. £5,878,000 resource from subhead C2 to subhead F2 to reflect transfer of Judicial Superannuation budget. | - |
| 4. £862,000 resource from subhead A2 to subhead C2 in relation to the Single Asylum Fund. | - |
| 5. £4,586,000 resource from subhead A2 to subhead C2 in respect of the CUPID project. | - |
| 6. £12,000 resource from subhead C2 to subhead A2 in respect of the CRB checks for Court Ushers. | - |
| 7. £1,153,000 resource from subhead C2 to subhead A2 in respect of the videolinks work in 2006/07. | - |
| 8. £2,200,000 resource from subhead C2 to subhead A2 in respect of Libra. | - |
| 9. £872,000 resource from subhead C2 to subhead A2 in respect of the redeployment of LASMs in 2006-07. | - |
| 10. £831,000 resource from subhead C2 to subhead A2 in respect of the furniture pool. | - |
| 11. £452,000 resource from subhead C2 to subhead F2 in respect of the furniture pool. | - |
| 12. £300,000 resource from subhead F1 to subhead A1 in respect of staff costs, overhead and training costs. | - |
| 13. £197,000 resource from subhead F1 to subhead A1 in respect of IT Business Partners. | - |
| 14. £4,000,000 resource from subhead A2 to subhead F2 in respect of the Single Asylum Fund. | - |
| 15. £774,000 from subhead A2 to K3 in respect of realignment of Judicial Appointments Commission costs. | - |
| 16. £856,000 from subhead A2 to subhead N3 in respect of realignment of the Boundary Commission for England costs. | - |
| 17. £41,000 from subhead A2 to subhead O3 in respect of realignment of the Boundary Commission for Wales costs. | - |

Total change in resources for RfR1 45,175,000

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

Neutral Changes:

Increased expenditure offset by income

- | | |
|--|-------|
| £335,000 increase in A1 and £334,000 increase in A5 in relation to increase in rental income; leaving a token £1,000 to vote | 1,000 |
|--|-------|

Movement of provision between sections within RfR

- | | |
|--|---|
| £76,000 resource from subhead D3 to subhead A1 in respect of IT costs. | - |
|--|---|

Total change in resources for RfR2 1,000

Introduction (*continued*)

RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

Increases:

Other increases

Increase in Grant payable to the National Assembly for Wales (subhead B3). 974,355,000

Total change in resources for RfR3 974,355,000

Total change in resources for Estimate 1,019,531,000

Changes in Capital

Increases:

Other increases

1. An increase in RfR1, subhead A7. To reflect a reallocation of CJIT capital DEL from Home Office. 170,000
2. An increase in capital spending (subhead A7). This is offset in budgetary terms by a reallocation of DEL cover from within the Department of Constitutional Affairs group. 500,000

Decreases:

Other decreases

1. A reduction in spending on subhead A7 in relation to CJIT. A reallocation of capital DEL to Home Office for spending on the Site Acceptance Testing Environment. -258,000
2. A reduction in spending on subhead A7 in relation to CJIT. A reallocation of capital DEL to Home Office for spending on PROGRESS. -307,000
3. £1,600,000 reduction to subhead C7 and £3,200,000 to subhead C8 (reflecting a £4,800,000 profit on disposal). -4,800,000

Neutral Changes:

Movement of provision between sections

1. Within RfR1, £67,000 capital from subhead A7 to subhead C7 in respect of Gloucester Magistrates Witness Room.
2. Within RfR1, £350,000 capital from subhead C7 to subhead A7 in respect of the videolink work in 2006-07. -
3. Within RfR1, £9,720,000 capital from subhead C7 to subhead A7 in respect of Libra. -

Total change in capital for Estimate -4,695,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £988,204,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	45,175,000
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	1,000
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	974,355,000
Total additional net resource requirement	1,019,531,000
Additional net cash requirement	988,204,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Constitutional Affairs on:

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

HQ and associated offices; administration of the Judicial Pension Scheme; HM Courts Service as formed under the Courts Act 2003 and associated activities including fine income netting off, pre-1990 loan charges debt payments, Justices Clerks' Societies, grants in relation to the Debt Programme and Better Dispute Resolution project, Wider Markets Initiatives, applications for means testing under the CDS Act 2006; Section 31 grants to Local Authorities; the Public Guardianship Office; Official Solicitor and Public Trustee; Courts Funds Office; Legal Aid paid through the Criminal Defence Service and Community Legal Service; administration for the Legal Services Commission; expenditure relating to the Legal Service Complaints Commissioner and the Legal Services Ombudsman; expenditure relating to claims management regulation; administration of the Office of the Information Commissioner; administration of central government tribunals via the Tribunals Service (including Asylum); costs paid from central funds; the Appellate Committee of the House of Lords and the Judicial Committee of the Privy Council; grant in aid to the Trafford Law Centre for a pilot to evaluate proposals for providing improved advice and support to tribunal customers and associated matters; charge fees as set out in its governing legislation; policy on charging and accounting for any fees collected by the Tribunals Service; payments to HM Land Registry; costs in relation to constitutional offices; democracy and constitution costs in relation to policy formulation; human rights workshops and surveys; promotion of information rights through advertising and formal education; electoral policy; research into constitution settlement/devolution; European and international judicial policy; EU Presidency events; Judicial Exchange programmes; research on behalf of the British Institute of International and Competition Law; Constitutional education programmes within schools; costs in relation to the policy on the conduct of all national elections and referendums in the UK and local elections; referendums in England and Wales (except mayoral Referendums in Wales) as provided under the Representation of the People (RPA) Acts and the Political Parties, Elections and Referendums Act 2000 and the European Parliament (Representation) Act 2003; proposals under the Electoral Administration Bill, including the establishment of the Co-ordinated on-line record of Electors (CORE); funding of voting pilots, including electronic voting, all- postal voting, e-counting, other e-pilots and related e-services and administrative pilots; policy on coroner and cremation services; support to Local Authorities for additional coroner work, payments in relation to Royal inquest, applications for exhumations, cremating repatriated remains and the closing of burial grounds as provided under Coroners Act 1988, the Coroners Rules 1984 and Local Government Act 1972 applications for exhumations; the Judicial Appointments Commission; other legal services; joint initiatives in the Criminal Justice System; administration of the Boundary Commission for England and Wales; associated non-cash items.

Part I (*continued*)

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

Administration; the Boundary Commission for Scotland; and payments of a grant to the Scottish Consolidated Fund; and associated non-cash items.

RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

Administration; Lord Lieutenants' expenditure; the North Wales Child Abuse Inquiry; payments to support expenditure by the National Assembly for Wales; and associated non-cash items.

The Department for Constitutional Affairs will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A	Headquarters and associated offices	473,554	13,387	438	12,949	486,503
RfR 1 - C	HM Courts Service	849,241	-5,094	4,500	-9,594	839,647
RfR 1 - E	Costs from Central Funds	45,000	29,660	-	29,660	74,660
RfR 1 - F	Tribunals Service	270,987	11,261	772	10,489	281,476

Non-budget

RfR 1 - K	Judicial Appointments Commission	5,330	774	-	774	6,104
RfR 1 - N	Boundary Commission for England	-	856	-	856	856
RfR 1 - O	Boundary Commission for Wales	-	41	-	41	41

Total RfR 1

50,885 5,710 45,175

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

Spending in Departmental Expenditure Limits (DEL)

Central government spending

RfR 2 - A	Scotland Office	4,368	411	334	77	4,445
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Non-budget

RfR 2 - D	Grant payable to the Scottish Consolidated Fund	22,890,078	-76	-	-76	22,890,002
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Total RfR 2

335 334 1

Part II: Changes proposed (*continued*)

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales					
Non-budget					
RfR 3 - B Grant payable to the National Assembly for Wales	12,367,965	974,355	-	974,355	13,342,320
Total RfR 3		974,355	-	974,355	
Total Changes to RfRs		1,025,575	6,044	1,019,531	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	176,459	-1,495	174,964
Non-Operating A in A	7,300	3,200	10,500
Net cash requirement	39,014,074	988,204	40,002,278

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all							
529,623	1,817,255	2,154,391	4,501,269	661,933	3,839,336	174,098	10,500
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Headquarters and associated offices							
376,889	117,144	-	494,033	7,530	486,503	39,108	-
B Judicial Pensions administration							
401	-	-	401	400	1	-	-
C HM Courts Service							
32,000	1,416,096	-	1,448,096	608,449	839,647	128,587	10,500
D Public Guardianship Office							
18,423	1,320	-	19,743	17,600	2,143	2,500	-
E Costs from Central Funds							
-	74,660	-	74,660	-	74,660	-	-
F Tribunals Service							
101,310	208,035	-	309,345	27,869	281,476	3,903	-
Non-budget							
G Legal Services Commission: Administration							
-	-	102,000	102,000	-	102,000	-	-
H Criminal Defence Service							
-	-	1,206,000	1,206,000	-	1,206,000	-	-
I Community Legal Service							
-	-	823,035	823,035	-	823,035	-	-
J Information Commissioner's Office							
-	-	5,555	5,555	-	5,555	-	-
K Judicial Appointments Commission							
-	-	6,104	6,104	-	6,104	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Support to local authorities</i>							
L CORE capital grants to local authorities							
-	-	10,800	10,800	-	10,800	-	-
<i>Central Government spending</i>							
M Princess of Wales Inquest							
600	-	-	600	85	515	-	-
Non-budget							
N Boundary Commission for England							
-	-	856	856	-	856	-	-
O Boundary Commission for Wales							
-	-	41	41	-	41	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government							
7,844	300	22,890,002	22,898,146	1,299	22,896,847	100	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Scotland Office							
5,019	-	-	5,019	574	4,445	100	-
B Office of the Advocate General							
2,825	-	-	2,825	725	2,100	-	-
C Boundary Commission for Scotland							
-	300	-	300	-	300	-	-
Non-budget							
D Grant payable to the Scottish Consolidated Fund							
-	-	22,890,002	22,890,002	-	22,890,002	-	-
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales							
5,151	-	13,342,320	13,347,471	9	13,347,462	766	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Wales Office							
5,151	-	-	5,151	9	5,142	766	-
Non-budget							
B Grant payable to the National Assembly for Wales							
-	-	13,342,320	13,342,320	-	13,342,320	-	-
Total for Estimate:							
542,618	1,817,555	38,386,713	40,746,886	663,241	40,083,645	174,964	10,500

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	39,064,114	1,019,531	40,083,645
Voted capital items			
Capital	176,459	-1,495	174,964
<i>Less: Non-operating A in A</i>	<i>7,300</i>	<i>3,200</i>	<i>10,500</i>
Total net voted capital	169,159	-4,695	164,464
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-119,734	-10,947	-130,681
Depreciation	-119,770		-119,770
New provisions and adjustments to previous provisions	-	-50,000	-50,000
Profit/loss on sale of assets	-	4,800	4,800
Prior period adjustments	-	-	-
Other non-cash items	-53	-	-53
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-1,642	14,268	12,626
Use of provisions	22,000	15,247	37,247
Total accruals to cash adjustments	-219,199	-26,632	-245,831
Excess cash to be CFERd	-	-	-
Net Cash Requirement	39,014,074	988,204	40,002,278

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	244,353	<i>244,353</i>	244,373	<i>244,373</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	244,353	<i>244,353</i>	244,373	<i>244,373</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	519,719
RfR2	6,545
RfR3	5,142
Total Net Administration Costs	531,406
Net Programme Costs	
RfR1	3,319,617
RfR2	22,890,302
RfR3	13,342,320
Non-voted	107,000
Total Net Programme costs	39,659,239
Total Net Operating Cost	40,190,645
<i>of which:</i>	
Net Resource Requirement	40,083,645
Non-voted expenditure	107,000
Consolidated Fund Extra Receipts	-
Resource Budget	3,841,524

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	40,083,645
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	107,000
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	40,190,645
<i>Adjustments to remove:</i>	
capital grants	-10,800
European Union income related to capital grants	-
voted expenditure outside the budget	-36,232,322
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-105,999
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	3,841,524
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	3,841,524
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	164,464
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	4,800
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	2,000
capital grants	-
European Union income related to capital grants	10,800
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	182,064
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	182,064
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Alex Allan, Permanent Head of the Department
Request for Resources 2	Jim Wildgoose, Head of Scotland Office
Request for Resources 3	Alan Cogbill, Head of Wales Office

Alex Allan as the Principal Accounting Officer of the Department for Constitutional Affairs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Department for Constitutional Affairs.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Government Accounting requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all

Administration	9,904
<i>of which:</i>	
Sale of goods and services	9,904
Programme	652,029
<i>of which:</i>	
Sale of goods and services	652,029

Total RfR1 **661,933 †**

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: civil court fees; fees charged by the Public Trustee and the Court of Protection; recoveries from the National Investment and Loans Office for the cost of administering funds in court; recovery from the investment managers for the cost of administering the Commons Investment Schemes; recoveries for research and recommendation work undertaken by the Law Commission; recoveries by the Official Solicitor pursuant to his duties under the Supreme Court Act 1981 and Public Trustee Act 1906; fees charged by the Lands Tribunal, recoveries from the National Insurance Fund for the cost of Social Security Commissioners; fees from the Land Registry; receipts relating to the Land Registry Adjudicator; income from National Insurance Fund in relation to the Tribunals Appeals fees relating to the Office of the Information Commissioner; fees from nursery facilities and other fees; charges and receipts received; sale of publications; reimbursements from the ARAMIS PFI supplier of the costs of seconded staff and banking charges; receipts from rents; service charges and site usage; recovery for magistrates' courts accommodation; contributions paid by legally aided defendants in the higher courts; receipts of VAT refunds on contracted out services, judicial superannuation contributions, receipts from the European Commission; receipts from the Financial Services and Markets Tribunal; receipts under the New Deal Scheme; receipts from Wider Markets Initiatives; receipts from Royal Licences; receipts from the Judicial Pensions supply Estimate to fund administrative costs; recovery of costs from Twinning projects; recovery of costs relating to the Hunting Bill; receipts in relation to Enforcement Improvement schemes; receipts in relation to the devolution Service Level Agreement; receipts in relation to by-election funding; receipts in relation to the use of DDJs as prison adjudicators; receipts in relation to Legal Services Complaints Commission; receipts in relation to Scotland Office secondees; receipts in relation to Data Protection enquiries; contributions from the Royal Household and other government departments in respect of coroners work; and income arising from Machinery of Government changes.

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

Administration	1,299
<i>of which:</i>	
Sale of goods and services	1,299
Programme	-
<i>of which:</i>	
Sale of goods and services	-

Total RfR2 **1,299 †**

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of rent, payments from other departments for legal services and other receipts.

Analysis of operating appropriations in aid (A in A) (continued)

RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales

Administration	9
<i>of which:</i>	
Sale of goods and services	9
Programme	-
<i>of which:</i>	
Sale of goods and services	-
Total RfR3	9 †
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from rent for use of accommodation in Gwydyr House by the National Assembly of Wales.	
Total Operating A in A	663,241

Analysis of non - operating appropriations in aid (A in A)

	£'000
	2006-07
	Provision
Programme	10,500
<i>of which:</i>	
Disposal of buildings	10,500
Total RfR1	10,500 †
† Amount that may be applied as non-operating appropriations in aid arising from: sale of buildings.	
Total Non - operating A in A	10,500

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision	
	Income	Receipts
Magistrates courts	244,373	244,373
Total	244,373	244,373

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	43,581	-29,329	1,696,932	2,144,592	3,841,524
<i>of which:</i>					
Administration budget*	1,849	-	531,406	-	531,406
Near-cash in RDEL	-12,567	35,918	1,401,107	2,285,837	3,686,944
Capital**	105	-	180,064	2,000	182,064
Less Depreciation†	-	-	-119,770	-1	-119,771
Total	43,686	-29,329	1,757,226	2,146,591	3,903,817

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	673,741

Northern Ireland Court Service

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in resources</u>	
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	
Increases:	
<u>Take up of End Year Flexibility</u>	
Additional grant payable to the Northern Ireland Legal Services Commission for expenditure on publicly funded legal services (subhead B3, near-cash).	454,000
Neutral Changes:	
<u>Additional appropriations in aid</u>	
Increased income of £500,000 to offset 'other current' expenditure on fees and disbursement arising from criminal appeals (subheads A2 and A5).	-
<u>Movement of provision between sections within RfR</u>	
1. £1,746,000 resource from subhead A2 to subhead B3 in respect of expenditure on publicly funded legal services.	-
2. £230,000 resource from subhead A2 to subhead C3 in respect of the Northern Ireland Judicial Appointments Commission.	-
Total change in resources for RfR1	454,000
Total change in resources for Estimate	454,000

Changes in capital

Neutral Changes:

Additional non-operating appropriations in aid

Increased non-operating income of £450,000 to offset capital spending (subheads A7 and A8). -

Total change in capital for Estimate -

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £454,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	454,000
Total additional net resource requirement	454,000
Additional net cash requirement	454,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Northern Ireland Court Service on:

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland

Operation of the courts; Pensions Appeals Tribunal; Office of the Social Security and Child Support Commissioners; the Traffic Penalty Tribunal; the Northern Ireland Valuation Tribunal; policy and legislation; accommodation services; grants to sundry bodies and associated non-cash items; grant of funding for the provision of publicly funded legal services; grant in aid to support the administration of the Northern Ireland Legal Services Commission; grant in aid to support the administration of the Northern Ireland Judicial Appointments Commission and set up costs associated with the XVII World Congress of the International Association of Youth and Family Judges and Magistrates; and associated non-cash costs.

The Northern Ireland Court Service will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Court and other legal services	58,334	-1,476	500	-1,976	56,358
Non-Budget					
RfR 1 - B Legal Services Commission	72,800	2,200	-	2,200	75,000
RfR 1 - C Judicial Appointments Commission	1,370	230	-	230	1,600
Total RfR 1		954	500	454	
Total Changes to RfRs		954	500	454	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	6,000	450	6,450
Non-Operating A in A	-	450	450
Net cash requirement	122,511	454	122,965

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland								
20,311	54,522	76,625	151,458	18,500	132,958	6,450	450	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Court and other legal services								
20,311	54,522	25	74,858	18,500	56,358	6,450	450	
Non-Budget								
B Legal Services Commission								
-	-	75,000	75,000	-	75,000	-	-	
C Judicial Appointments Commission								
-	-	1,600	1,600	-	1,600	-	-	
Total for Estimate:								
20,311	54,522	76,625	151,458	18,500	132,958	6,450	450	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	132,504	454	132,958
Voted capital items			
Capital	6,000	450	6,450
<i>Less:</i> Non-operating A in A	-	450	450
Total net voted capital	6,000	-	6,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-6,459	-	-6,459
Depreciation	-9,534	-	-9,534
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-15,993	-	-15,993
Excess cash to be CFERd	-	-	-
Net Cash Requirement	122,511	454	122,965

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	1,811
Total Net Administration Costs	1,811
Net Programme Costs	
RfR1	131,147
Non-voted	5,166
Total Net Programme costs	136,313
Total Net Operating Cost	138,124
<i>of which:</i>	
Net Resource Requirement	132,958
Non-voted expenditure	5,166
Consolidated Fund Extra Receipts	-
Resource Budget	158,893

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	132,958
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	5,166
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	138,124
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	20,769
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	158,893
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	158,893
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	6,000
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	6,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 David A Lavery, Director of the Northern Ireland Court Service

David A Lavery as the Accounting Officer of the Northern Ireland Court Service has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Northern Ireland Court Service.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland

Administration	18,500
<i>of which:</i>	
Sale of goods and services	18,500
Programme	-
<i>of which:</i>	
Sale of goods and services	-
Total RfR1	18,500 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: court fees paid by litigants in civil proceedings, fine monies arising from the payment of certain conditional offer fixed penalty notices to cover project costs incurred by the Northern Ireland Court Service and Northern Ireland Office, administration fees paid in respect of funds in court, monies recovered in respect of third party claims, recoveries from the National Insurance Fund for the costs of the Office of the Social Security and Child Support Commissioners and other fees and receipts received.

Total Operating A in A	18,500
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Analysis of non - operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland

Programme	450
<i>of which:</i>	
Sale of assets	450
Total RfR1	450 †

† Amounts that may be applied as non-operating appropriations in aid arising from: the disposal of surplus buildings and other assets and from recoupment of expenditure on shared IT developments.

Total Non - operating A in A	450
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Fines	●	5,150	5,150
Miscellaneous	●	100	100
Excess appropriations in aid	Φ	250	250
Total		5,500	5,500

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	
Resource DEL	-1,976	28,430	56,358	102,535	158,893
<i>of which:</i>					
Administration budget*	-500	-	1,811	-	1,811
Near-cash in RDEL	-1,976	2,430	40,365	81,766	122,131
Capital**	-	-	6,000	-	6,000
Less Depreciation†	-	-	-9,534	-20	-9,554
Total	-1,976	28,430	52,824	102,515	155,339

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	18,950

The National Archives

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in resources</u>	
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	
Increases:	
<u>Other increases</u>	
An increase in resource spending (administration costs - subhead A1) to facilitate spending on minor works. This is offset in budgetary terms by a reallocation of DEL cover within the Department for Constitutional Affairs group.	500,000
Total change in resources for RfR1	500,000
Total change in resources for Estimate	500,000
<u>Changes in capital</u>	
Decreases:	
<u>Other decreases</u>	
A decrease in capital spending (subhead A7) to facilitate spending on minor works. This is offset in budgetary terms by a reallocation of DEL cover within the Department for Constitutional Affairs group.	-500,000
Total change in capital for Estimate	-500,000

2. As a result of the above, and non-cash adjustments, there is no change in the net cash requirement.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	500,000
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Total additional net resource requirement	500,000
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Additional net cash requirement	-
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SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by The National Archives on:

RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government

Payments for expenditure on administration and operational associated non-cash costs.

The National Archives will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Public Record Office	40,252	500	-	500	40,752
Total RfR 1			500	-	500	
Total Changes to RfRs			500	-	500	

£000

	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	3,735	-500	3,235
Non-Operating A in A	-	-	-
Net cash requirement	39,862	-	39,862

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government								
47,999	1,228	-	49,227	4,894	44,333	3,235	-	
Spending in Departmental Expenditure Limits (DEL) <i>Central Government spending</i>								
A Public Record Office								
44,947	-	-	44,947	4,195	40,752	3,200	-	
B Historical Manuscripts Commission								
1,147	-	-	1,147	5	1,142	15	-	
C Office of Public Sector Information								
1,905	1,228	-	3,133	694	2,439	20	-	
Total for Estimate:								
47,999	1,228	-	49,227	4,894	44,333	3,235	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	43,833	500	44,333
Voted capital items			
Capital	3,735	-500	3,235
<i>Less: Non-operating A in A</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total net voted capital	3,735	-500	3,235
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,405	-1,300	-4,705
Depreciation	-4,131	-	-4,131
New provisions and adjustments to previous provisions	-110	-	-110
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-7,706	-1,300	-9,006
Excess cash to be CFERd	-	1,300	1,300
Net Cash Requirement	39,862	-	39,862

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	<i>1,300</i>
Total	-	-	-	<i>1,300</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	43,105
Total Net Administration Costs	43,105
Net Programme Costs	
RfR1	1,228
Total Net Programme costs	1,228
Total Net Operating Cost	44,333
<i>of which:</i>	
Net Resource Requirement	44,333
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	44,333

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	44,333
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	44,333
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	44,333
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	44,333
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	3,235
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	3,235
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,235
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Natalie Ceeney, Permanent Head of the Public Record Office and the sole Historical Manuscripts Commissioner
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Natalie Ceeney as the Accounting Officer of The National Archives has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head remains in general overall charge of The National Archives.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management and re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government

Administration	4,894
<i>of which:</i>	
Sale of goods and services	4,894
Programme	-
<i>of which:</i>	
Sale of goods and services	-

Total RfR1	4,894 †
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† Amount that may be applied as appropriations in aid in addition to the net total, arising from: charges for the sale of copies of documents; sale of publications and other items and services; professional fees; fees receivable from service providers; sale of fixed assets; grants received to carry out specific projects; reproduction fees and royalties for the publication of images; Crown copyright fees and royalties; fees for the management of third parties' copyright; fee for the management of the Office of Queen's Printer for Scotland; income from contractual arrangements for official publishing and partnerships to make historical records electronically accessible; and sales and recovery of costs for goods/services provided to other government departments, public bodies and the general public.

Total Operating A in A	4,894
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision	Receipts
	Income	Receipts
Excess cash	-	1,300
Total	-	1,300

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	500	-	44,333	-	44,333
<i>of which:</i>					
Administration budget*	500	-	43,105	-	43,105
Near-cash in RDEL	-800	-	35,327	-	35,327
Capital**	-500	-	3,235	-	3,235
Less Depreciation†	-	-	-4,131	-	-4,131
Total	-	-	43,437	-	43,437

* The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	4,894

The Crown Prosecution Service

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in resources</u>	
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	
Increases:	
<u>Take up of End Year Flexibility</u>	
Take up of Resource EYF (subhead B2, all of which is near-cash) to support increased expenditure on the prosecution of criminal cases.	7,880,000
Decreases:	
<u>Other decreases</u>	
1. A decrease in programme resources (subhead B2) to provide savings for the reallocation of resource DEL budgetary cover from the Crown Prosecution Service to the Home Office. This is required to provide additional resources to fund the “No Witness No Justice (NWNJ)” partnership programme to improve services to prosecution witnesses in Court.	-364,000
2. A decrease in programme resources (subhead B2) to provide savings for the reallocation of resource DEL budgetary cover from the Crown Prosecution Service to the Department for Constitutional Affairs (DCA) to support the Criminal Justice Information Technology (CJIT) PROGRESS project.	-460,000
3. A decrease in administration resources (subhead A1) to provide savings for the reallocation of resource DEL budgetary cover, within the Attorney General’s resource DEL, from the Crown Prosecution Service to the Treasury Solicitors Department. This is required to help fund the provision of administrative services to the Attorney General by the Attorney General’s Office.	-538,000
Total change in resources for RfR1	6,518,000
Total change in resources for Estimate	6,518,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £6,518,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	6,518,000
Total additional net resource requirement	6,518,000
Additional net cash requirement	6,518,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Crown Prosecution Service on:

RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions

Administrative costs, including the hire of private agents; Crown Prosecution Services; the support of voluntary sector organisations working in the Criminal Justice System; in connection with the confiscation of the proceeds of crime; and associated non-cash items.

The Crown Prosecution Service will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration costs on HQ and central services	57,953	-538	-	-538	57,415
RfR 1 - B Crown Prosecutions and legal services	556,871	7,056	-	7,056	563,927
Total RfR 1		6,518	-	6,518	
Total Changes to RfRs		6,518	-	6,518	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	7,400	-	7,400
Non-Operating A in A	-	-	-
Net cash requirement	615,362	6,518	621,880

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions								
57,815	608,854	-	666,669	45,327	621,342	7,400	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration costs on HQ and central services								
57,815	-	-	57,815	400	57,415	-	-	
B Crown Prosecutions and legal services								
-	608,854	-	608,854	44,927	563,927	7,400	-	
Total for Estimate:								
57,815	608,854	-	666,669	45,327	621,342	7,400	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	614,824	6,518	621,342
Voted capital items			
Capital	7,400	-	7,400
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	7,400	-	7,400
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,647	-	-2,647
Depreciation	-5,056	-	-5,056
New provisions and adjustments to previous provisions	-745	-	-745
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-87	-	-87
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	1,673	-	1,673
Total accruals to cash adjustments	-6,862	-	-6,862
Excess cash to be CFERd	-	-	-
Net Cash Requirement	615,362	6,518	621,880

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	57,415
Total Net Administration Costs	57,415
Net Programme Costs	
RfR1	563,927
Total Net Programme costs	563,927
Total Net Operating Cost	621,342
<i>of which:</i>	
Net Resource Requirement	621,342
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	621,342

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	621,342
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	621,342
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	621,342
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	621,342
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	7,400
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,400
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,400
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Ken MacDonald QC, Permanent Head of Department

Ken MacDonald QC as the Principal Accounting Officer (PAO) of the Crown Prosecution Service has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Crown Prosecution Service.

With the agreement of HM Treasury, the Permanent Head of Department appoints the Chief Executive as Additional Accounting Officer. Peter Lewis, Chief Executive, holds the appointment of Additional Accounting Officer for the Request for Resources within this Estimate.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

In accordance with Government Accounting requirements the relationship between the Principal Accounting Officer and the Additional Accounting Officer(s) and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	
Administration	400
<i>of which:</i>	
Income from goods and services	400
Programme	44,927
<i>of which:</i>	
Income from goods and services and from recovery of criminal assets	44,927
Total RfR1	45,327 †
† Amount that may be applied as appropriations in aid in addition to the net total, arising from: recovery of costs from private tenants in jointly occupied buildings; recoveries in respect of the Recovered Assets Incentivisation Fund; costs awarded to CPS in court; income from Local Criminal Justice Boards; refund of costs for seconded staff; funding from the Access to Work Scheme and the New Deal programmes; receipts for Prosecution College licences; and recoveries of IT costs from other government departments for joint working arrangements.	
Total Operating A in A	45,327

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	6,518	-	621,342	-	621,342
<i>of which:</i>					
<i>Administration budget*</i>	-538	-	57,415	-	57,415
<i>Near-cash in RDEL</i>	6,518	-	614,480	-	614,480
Capital**	-	-	7,400	-	7,400
Less Depreciation†	-	-	-5,056	-	-5,056
Total	6,518	-	623,686	-	623,686

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	45,077

HM Procurator General and Treasury Solicitor

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies

Increases:

Other increases

Increase in resources on subhead C1 (administration costs) to meet the cost of policy support to the Attorney General's office. This increase in resources is funded in budgetary terms by a transfer of resource DEL budgetary cover from:

i. Revenue and Customs Prosecutions Office	820,000
ii. Crown Prosecution Service	538,000
iii. Serious Fraud Office	33,000

Neutral Changes:

Spending offset by Appropriations in Aid

- | | |
|--|---|
| 1. Increase in gross administration costs spending (subhead A1) by £3,629,000 offset by a corresponding increase in Appropriations in Aid (subhead A5) . | - |
| 2. Increase in gross expenditure (subhead C1) by £39,000 with a corresponding increase in Appropriations in Aid (subhead C5). | - |

Movement within RfR

Transfer of £73,000 from subhead A1 to subhead C1 to meet the cost of policy support of the Attorney General's office.	-
--	---

Total change in resources for RfR1 1,391,000

Total change in resources for Estimate 1,391,000

Changes in capital

Neutral Changes:

Movement within RfR

- | | |
|---|---|
| 1. Transfer of £1,500,000 capital spending from subhead B7 to subhead C7 to meet the capital cost of the support of the Attorney General's office move. | - |
| 2. Transfer of £2,400,000 from subhead B7 to subhead A7. Internal policy change to move capital from TSD other to TSD administration. | - |

Total change in capital for Estimate -

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,391,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	1,391,000
Total additional net resource requirement	1,391,000
Additional net cash requirement	1,391,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the HM Procurator General and Treasury Solicitor's Department, the Treasury Solicitor's Department Agency, the Legal Secretariat to the Law Officers and HM Crown Prosecution Service Inspectorate on:

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies

Administration, costs and fees for legal and related services, residual matters following the closure of the Government Property Lawyers Agency and associated non-cash items.

The Treasury Solicitor will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A TSD administration	2,781	3,556	3,629	-73	2,708
RfR 1 - C LSLO administration	3,720	1,503	39	1,464	5,184
Total RfR 1		5,059	3,668	1,391	
Total Changes to RfRs		5,059	3,668	1,391	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	4,000	-	4,000
Non-Operating A in A	-	-	-
Net cash requirement	16,519	1,391	17,910

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies							
70,031	33,697	-	103,728	89,168	14,560	4,000	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A TSD administration							
60,837	-	-	60,837	58,129	2,708	2,400	-
B TSD other							
-	-	-	-	-	-	-	-
C LSLO administration							
5,223	-	-	5,223	39	5,184	1,600	-
D Operational costs							
-	33,697	-	33,697	31,000	2,697	-	-
E CPSI administration							
3,971	-	-	3,971	-	3,971	-	-
Total for Estimate:							
70,031	33,697	-	103,728	89,168	14,560	4,000	-

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
			£'000
Net Resource Requirement	13,169	1,391	14,560
Voted capital items			
Capital	4,000	-	4,000
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	4,000	-	4,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-300	-	-300
Depreciation	-1,600	-	-1,600
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-100	-	-100
Increase(+)/decrease (-) in stock	700	-	700
Increase(+)/decrease (-) in debtors	600	-	600
Increase(-)/decrease (+) in creditors	-450	-	-450
Use of provisions	500	-	500
Total accruals to cash adjustments	-650	-	-650
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,519	1,391	17,910

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR 1	11,863
Total Net Administration Costs	11,863
Net Programme Costs	
RfR 1	2,697
Total Net Programme costs	2,697
Total Net Operating Cost	14,560
<i>of which:</i>	
Net Resource Requirement	14,560
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	14,560

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	14,560
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	14,560
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	14,560
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	14,560
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	4,000
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	4,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Paul Jenkins, QC

Paul Jenkins, QC as the Accounting Officer of the HM Procurator General and Treasury Solicitor has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the HM Procurator General and Treasury Solicitor.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	
Administration	58,168
<i>of which:</i>	
Sale of goods and services	58,168
Programme	31,000
<i>of which:</i>	
Sale of goods and services	31,000
Total RfR1	89,168 †
Total Operating A in A	89,168

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: recovery of costs from other government departments including costs recovered through legal and administrative services provided, charges for Bona Vacantia work, recovery of costs for tenants in jointly occupied buildings, utilisation of provisions, income in relation to GLS operations, subscription charges, photocopying charges and European fast streamers.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,391	-	14,560	-	14,560
<i>of which:</i>					
Administration budget*	1,391	-	11,863	-	11,863
Near-cash in RDEL	1,391	-	12,560	500	13,060
Capital**	-	-	4,000	-	4,000
Less Depreciation†	-	-	-1,600	-	-1,600
Total	1,391	-	16,960	-	16,960

* The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

£'000
89,168

Revenue and Customs Prosecutions Office

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors

Increases:

Token increase

A net token increase in resources. This reflects additional resources of £1,943,000 (subhead A2) offset by an increase in appropriations-in-aid (subhead A5) of £1,942,000 received in the course of business by the Asset Forfeiture Division. 1,000

Neutral Changes:

Increased spending offset by income

Additional resources of £1,499,000 (administration costs - subhead A1) offset by a corresponding increase in appropriations-in-aid (subhead A5) received in the course of business by the Asset Forfeiture Division. -

Total change in resources for RfR1 1,000

Total change in resources for Estimate 1,000

2. As a result of the above and non-cash adjustments, there is a change in the net cash requirement of £6,327,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors

1,000

Total additional net resource requirement

1,000

Additional net cash requirement

† 6,327,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Revenue and Customs Prosecutions Office on:

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors

Administration and legal costs of prosecuting cases by the Revenue and Customs Prosecutions Office and associated non-cash items.

The **Revenue and Customs Prosecutions Office** will account for this Estimate.

† £3,000,000 has been advanced from the Contingencies Fund to provide for a deficient net cash requirement. A corresponding amount is required to enable repayment to be made to the Fund. There are no implications for resources supporting the services provided for in the Estimate.

Part II: Changes proposed

Resources	£'000				New Net Provision
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	37,186	3,442	3,441	1	37,187
Total RfR 1		3,442	3,441	1	
Total Changes to RfRs		3,442	3,441	1	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	37,186	6,327	43,513

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors							
20,213	20,474	-	40,687	3,500	37,187	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
20,213	20,474	-	40,687	3,500	37,187	-	-
Total for Estimate:							
20,213	20,474	-	40,687	3,500	37,187	-	-

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
			£'000
Net Resource Requirement	37,186	1	37,187
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	6,326	6,326
Use of provisions	-	-	-
Total accruals to cash adjustments	-	6,326	6,326
Excess cash to be CFERd	-	-	-
Net Cash Requirement	37,186	6,327	43,513

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	<u>17,893</u>
Total Net Administration Costs	17,893
Net Programme Costs	
RfR1	<u>18,474</u>
Total Net Programme costs	18,474
Total Net Operating Cost	36,367
<i>of which:</i>	
Net Resource Requirement	37,187
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	36,367

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	37,187
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Reduction to reflect underspending	-820
Net Operating Costs (Accounts)	36,367
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	36,367
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	36,367
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Request for Resources within this Estimate.

Request for Resources 1	David Green, QC
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David Green, QC as the Accounting Officer of the Revenue and Customs Prosecutions Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Revenue and Customs Prosecutions Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	
Administration	1,500
<i>of which:</i>	
Sale of goods and services	1,500
Programme	2,000
<i>of which:</i>	
Sale of goods and services	100
Recovery of assets under provisions of the Incentivisation Scheme	1,900
Total RfR1	3,500 †
† Amount that may be applied as appropriations in aid in addition to the net total, arising from: administration income from the recovery of court costs; for providing additional defence papers; administration of counsel fees to third parties; providing legal training; from the recovery of assets under provisions of the Incentivisation Scheme.	
Total Operating A in A	3,500

Notes to the Estimate *(continued)*

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-819	-	36,367	-	36,367
<i>of which:</i>					
<i>Administration budget*</i>	-820	-	17,893	-	17,893
<i>Near-cash in RDEL</i>	-819	-	36,367	-	36,367
Capital**	-	-	-	-	-
Less Depreciation†	-	-	-	-	-
Total	-819	-	36,367	-	36,367

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	3,500

Ministry of Defence

Introduction

1.	This Supplementary Estimate is required for the following purposes:	Amount £
	<u>Changes in Resources</u>	
	RfR 1: Provision of Defence Capability	
	Increases:	
	<u>Drawdown of DUP</u>	
	1. To draw down part of the Department's Unallocated Resource Provision (DUP) by transferring Non-Voted depreciation and provisions into Voted DEL to meet Top Level Budget forecasts of Indirect Resource Expenditure (Sections F and K).	250,000,000
	<u>Transfers in from other Government Departments</u>	
	1. To effect a Resource transfer in from the Department of Culture, Media and Sport as a contribution to the National Meteorological Programme and Severe Weather Warning Service (Section I)	3,080,000
	<u>Other increases: Non-Budget</u>	
	1. To increase Non-Budget grants and expenditure to reflect increased grant-in-aid and loan repayments (Sections V, W, X).	801,000
	<u>Other increases: Annually Managed Expenditure</u>	
	1. To increase Annually Managed Expenditure to reflect changes to the latest TLB forecasts of outturn, principally relating to nuclear provisions (Sections P, R, Q, S and T)	31,943,000
	Decreases:	
	<u>Transfer of budgetary cover to another RfR</u>	
	1. To effect a transfer of budgetary cover from RfR 1 Indirect Resource to RfR 2 Indirect Resource to cover cost of capital and depreciation charges associated with fixed assets purchased under Urgent Operational Requirement arrangements (Section F)	-42,000,000
	<u>Transfer out to other Government Departments</u>	
	1. To effect a transfer out to the Cabinet Office for the expansion and capability of the Security and Intelligence Agencies (Section I).	-750,000
	Neutral Changes:	
	<u>Transfers within the RfR</u>	
	1. To transfer £150,000,000 from non-cash to near cash (Section F) in respect of increased logistical costs.	-
	2. To increase operating Appropriations in Aid by £115,000,000 to reflect current TLB forecasts of outturn (Sections A5, F5, I5 and K5) offset by corresponding changes to gross Resource spending (Sections A2, F2, I2 and K2).	-
	Total Change in Resources for RfR 1	243,074,000

RfR 2: Conflict Prevention**Increases:**Other increases: Special Reserve

Peace-keeping Operations

1. To increase the RfR 2 to reflect the net costs of peace-keeping in Iraq and Afghanistan (Section C). 241,000,000

Transfer of budgetary cover from RfR 1

1. To effect a transfer of budgetary cover from RfR 1 Indirect Resource to cover cost of capital and depreciation charges associated with fixed assets purchased under Urgent Operational Requirement arrangements (Section C). 42,000,000

Transfers in from other Government Departments

1. To effect transfers in from the Foreign & Commonwealth Office in respect of the Balkans Conflict Prevention Pool net costs of £ 53,000,000; and for Global Rest of the World Conflict Prevention Pool costs of £ 4,200,000 (Section B). 57,200,000

Total Change in Resources for RfR 2 340,200,000

RfR 3: War Pensions and Allowances, etc**Increases:**Other increases AME forecast

1. To increase War Pension Benefits Programme costs to cover additional War Pensions Benefits expenditure (Section A). 10,000,000

Total Change in Resources for RfR 3 10,000,000

Total Change in Resources for Estimate 593,274,000

Changes in Capital**RfR 2: Conflict Prevention****Increases:**Special reserve: Peace-Keeping Operations

1. To increase RfR 2 to reflect Capital costs of peace-keeping in Iraq and Afghanistan (Section C). 89,000,000

Neutral Changes:Transfers within the RfR

1. To increase Non-operating Appropriations in Aid by £108,800,000 (Sections I8 and K8) to reflect current TLB forecasts of outturn, offset by corresponding changes to gross Capital Spending (Sections I7 and K7).

Total Change in Capital for Estimate 89,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £550,331,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Provision of Defence Capability	243,074,000
RfR 2: Conflict Prevention	340,200,000
RfR 3: War Pensions and Allowances, etc	10,000,000
Total additional net resource requirement	593,274,000
Additional net cash requirement	550,331,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Ministry of Defence on:

RfR 1: Provision of Defence Capability

Personnel costs of the Armed Forces and their reserves and cadet forces and personnel costs of Defence Ministers and of civilian staff employed by the Ministry of Defence; movements; charter of ships; logistic services for the Armed Forces; repair, maintenance, stores and supply services; associated capital facilities and works; contractors' redundancy cost; plant and machinery; nuclear warhead and fissile material programme; procurement, including development and production of equipment and weapon systems for the Armed Forces; purchases for sale abroad; research etc. by contract; sundry procurement services including those on repayment terms; land and buildings works services; contingent liabilities; services provided by other government departments; sundry services; subscriptions, grants and other payments including those abroad such as assistance to Foreign and Commonwealth governments for defence related purposes and UK youth community projects; set-up costs and loans to, and income from, Trading Funds; and other associated non-cash items.

RfR 2: Conflict Prevention

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking, peacekeeping and peacebuilding activity and on associated strengthening of international and regional systems and capacity; and other associated non-cash items.

RfR 3: War Pensions and Allowances, etc

Pensions and other payments/allowances for disablement or death arising out of war or service in the Armed Forces after 2 September 1939; awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern Prisoners of War) or their surviving spouse; and pensions and other payments in respect of service in the Armed Forces at other times; and other associated non-cash items.

The Ministry of Defence will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Provision of Defence Capability					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Fleet	2,222,766	-63,390	10,000	-73,390	2,149,376
RfR 1 - B General Officer Commanding (Northern Ireland)	400,507	9,735	-	9,735	410,242
RfR 1 - C Commander in Chief Land Command	4,322,963	-12,082	-	-12,082	4,310,881
RfR 1 - D Commander in Chief Strike Command	2,046,374	-136,707	-	-136,707	1,909,667
RfR 1 - E Chief of Joint Operations	359,790	-799	-	-799	358,991
RfR 1 - F Chief of Defence Logistics	13,144,017	104,968	51,000	53,968	13,197,985
RfR 1 - G Adjutant General (Personnel and Training Command)	1,592,065	-29,572	-	-29,572	1,562,493
RfR 1 - H Commander-in-Chief Personnel and Training Command	859,363	-47,185	-	-47,185	812,178
RfR 1 - I Central	2,194,878	66,443	52,000	14,443	2,209,321
RfR 1 - J Defence Estates	2,370,484	198,984	-	198,984	2,569,468
RfR 1 - K Defence Procurement Agency	1,876,908	233,062	2,000	231,062	2,107,970
RfR 1 - L Corporate Science and Technology	525,526	1,873	-	1,873	527,399
Spending in Annually Managed Expenditure (AME)					
RfR 1 - Q Chief of Defence Logistics	9,910	166,565	-	166,565	176,475
RfR 1 - R Chief of Joint Operations	-4,000	11,420	-	11,420	7,420
RfR 1 - S Central	2,360	2,042	-	2,042	4,402
RfR 1 - T Defence Procurement Agency	175,505	-148,084	-	-148,084	27,421
Non-Budget					
RfR 1 - V Adjutant General (Personnel and Training Command)	9,152	80	-	80	9,232
RfR 1 - W Central	578	172	-	172	750
RfR 1 - X Defence Estates	2,700	549	-	549	3,249
Total RfR 1		358,074	115,000	243,074	
RfR 2: Conflict Prevention					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - B Programme Rest of the World	15,840	67,114	9,914	57,200	73,040
RfR 2 - C Peace Keeping Rest of the World	1,040,000	288,643	5,643	283,000	1,323,000
Total RfR 2		355,757	15,557	340,200	

RfR 3: War Pensions and Allowances, etc
Spending in Annually Managed Expenditure (AME)

RfR 3 - A	War Pensions Benefits Programme costs	1,036,661	10,000	-	10,000	1,046,661
	Total RfR 3		10,000	-	10,000	
	Total Changes to RfRs		723,831	130,557	593,274	

		£000	
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	7,798,268	197,800	7,996,068
Non-Operating A in A	447,352	108,800	556,152
Net cash requirement	33,195,920	550,331	33,746,251

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Provision of Defence Capability								
-	33,566,571	260,812	33,827,383	1,478,181	32,349,202	7,547,068	556,152	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Fleet								
-	2,189,170	7,927	2,197,097	47,721	2,149,376	19,817	-	
B General Officer Commanding (Northern Ireland)								
-	411,731	-	411,731	1,489	410,242	3,560	47	
C Commander in Chief Land Command								
-	4,413,815	86	4,413,901	103,020	4,310,881	78,326	-	
D Commander in Chief Strike Command								
-	1,956,315	-	1,956,315	46,648	1,909,667	15,233	-	
E Chief of Joint Operations								
-	387,948	15	387,963	28,972	358,991	11,024	220	
F Chief of Defence Logistics								
-	13,538,219	13,293	13,551,512	353,527	13,197,985	1,271,056	40,313	
G Adjutant General (Personnel and Training Command)								
-	1,583,063	6,549	1,589,612	27,119	1,562,493	5,436	-	
H Commander-in-Chief Personnel and Training Command								
-	921,319	7,343	928,662	116,484	812,178	22,201	-	
I Central								
-	2,365,637	200,876	2,566,513	357,192	2,209,321	46,125	4,100	
J Defence Estates								
-	2,948,777	-	2,948,777	379,309	2,569,468	504,022	392,449	
K Defence Procurement Agency								
-	2,124,670	-	2,124,670	16,700	2,107,970	5,570,268	104,700	
L Corporate Science and Technology								
-	524,486	2,913	527,399	-	527,399	-	-	
M Hydrographic Office								
-	-	-	-	-	-	-	329	
N DARA								
-	-	-	-	-	-	-	4,840	
O ABRO								
-	-	-	-	-	-	-	2,154	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
P Fleet								
-	-5,718	-	-5,718	-	-5,718	-	-	
Q Chief of Defence Logistics								
-	176,475	-	176,475	-	176,475	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Chief of Joint Operations	-	7,420	7,420	-	7,420	-	-
S	Central	-	4,408	4,402	-	4,402	-	-
T	Defence Procurement Agency	-	27,421	27,421	-	27,421	-	-
U	QinetiQ	-	-	-	-	-	-	7,000
Non-Budget								
V	Adjutant General (Personnel and Training Command)	-	9,232	9,232	-	9,232	-	-
W	Central	-	750	750	-	750	-	-
X	Defence Estates	-	3,249	3,249	-	3,249	-	-
	RfR 2: Conflict Prevention	-	1,443,083	1,443,083	15,557	1,427,526	449,000	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Programme Sub-Saharan Africa	-	31,486	31,486	-	31,486	-	-
B	Programme Rest of the World	-	82,954	82,954	9,914	73,040	-	-
C	Peace Keeping Rest of the World	-	1,328,643	1,328,643	5,643	1,323,000	449,000	-
	RfR 3: War Pensions and Allowances, etc	-	1,048,304	1,047,661	-	1,047,661	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	War Pensions Benefits Programme costs	-	1,047,304	1,046,661	-	1,046,661	-	-
B	War Pensions Benefits Programme costs - Far Eastern Prisoners of War	-	1,000	1,000	-	1,000	-	-
Total for Estimate:								
-	35,009,011	1,309,116	36,318,127	1,493,738	34,824,389	7,996,068	556,152	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	34,231,115	593,274	34,824,389
Voted capital items			
Capital	7,798,268	197,800	7,996,068
<i>Less:</i> Non-operating A in A	447,352	108,800	556,152
Total net voted capital	7,350,916	89,000	7,439,916
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,807,894	-	-2,807,894
Depreciation	-7,081,000	-100,000	-7,181,000
New provisions and adjustments to previous provisions	-581,078	-31,943	-613,021
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	558,984	-	558,984
Increase(+)/decrease (-) in debtors	490,027	-	490,027
Increase(-)/decrease (+) in creditors	450,036	-	450,036
Use of provisions	584,814	-	584,814
Total accruals to cash adjustments	-8,386,111	-131,943	-8,518,054
Excess cash to be CFERd	-	-	-
Net Cash Requirement	33,195,920	550,331	33,746,251

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Programme Costs	
RfR1	32,349,202
RfR2	1,427,526
RfR3	1,047,661
Non-voted expenditure	-
Total Net Programme costs	34,824,389
Total Net Operating Cost	34,824,389
<i>of which:</i>	
Net Resource Requirement	34,824,389
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	35,055,894

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	34,824,389
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	34,824,389
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-3,999
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	15,504
unallocated resource provision	220,000
Other adjustments	-
Resource Budget (Budget)	35,055,894
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	34,104,047
Annually Managed Expenditure (AME)	951,847

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	7,439,916
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	744
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,440,660
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,447,660
Annually Managed Expenditure (AME)	-7,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Bill Jeffrey, Permanent Head of the Department
Request for Resources 2	Bill Jeffrey, Permanent Head of the Department
Request for Resources 3	Bill Jeffrey, Permanent Head of the Department

Bill Jeffrey as the Accounting Officer (AO) of the Ministry of Defence has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Ministry of Defence.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Provision of Defence Capability

Programme	1,478,181
<i>of which:</i>	
Sale of goods and services	1,452,635
Interest and dividends	25,546

Total RfR1	1,478,181 †
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† Amount that may be applied as appropriations in aid in addition to the net total, arising from: the recovery of income from fees and income charges.

RfR 2: Conflict Prevention

Programme:	15,557
<i>of which:</i>	
Sale of goods and services	15,557
Interest and dividends	-

Total RfR2	15,557 †
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† Amount that may be applied as appropriations in aid in addition to the net total, arising from: the recovery of income from fees and income charges.

Total Operating A in A	1,493,738
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Analysis of non - operating appropriations in aid (A in A)

 2006-07
 Provision

RfR 1: Provision of Defence Capability

Programme	556,152
<i>of which:</i>	
Sale of assets	541,829
Loan etc., repayments	14,323

Total RfR1	556,152 †
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets, including land and buildings and repayment of loans from the Trading Funds.

Total Non - operating A in A	556,152
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	550,530	-250,000	33,553,497	550,550	34,104,047
<i>of which:</i>					
<i>Administration budget*</i>	-	-	-	-	-
<i>Near-cash in RDEL</i>	450,530	-	22,898,385	318,984	23,217,369
Capital**	89,000	-	7,446,916	744	7,447,660
Less Depreciation†	-100,000	250,000	-7,181,000	-220,000	-7,401,000
Total	539,530	-	33,819,413	331,294	34,150,707

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
2,049,890

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR1 - A	Royal Navy and Royal Marine Sports Control Board	118
RfR1 - G	Army Sports Control Board	407
RfR1 - H	RAF Sports Control Sports Board	84
RfR1 - I	The Royal British Legion	319
RfR1 - I	Skillforce - Scotland/Wales	300
RfR1 - I	The Scott Polar Institute	35
RfR3 - B	War pensions - Far Eastern Prisoners of War	500

Notes to the Estimate (*continued*)**Grants in Aid**

RfR/Section	Body		£ '000
RfR1 - A	Navy and Maritime Museums	♥	2,780
RfR1 - G	National Army Museum	♥	4,992
RfR1 - G	Royal Hospital, Chelsea	♥	9,152
RfR1 - H	Royal Air Force Museum	♥	6,628
RfR1 - I	Commonwealth War Graves Commission	♥	31,895
RfR1 - I	Skill force	♥	2,515
			<hr/> 57,962 <hr/>

Armed Forces retired pay, pensions etc

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Armed Forces Retired Pay, Pensions etc

Token increase

To increase Grants by £2,634,000 and an increase in Appropriations in Aid of £2,633,000 to reflect the latest forecast of outturn (Section RfR1 - A). 1,000

Total Change in Resources for RfR1 1,000

2. There is an increase in the net cash requirement of £20,000,000 to meet forecast commitments for payment of pensions and lump sum benefits to Service personnel and dependants.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Armed Forces Retired Pay, Pensions etc**1,000**

Total additional net resource requirement

1,000

Additional net cash requirement**20,000,000**

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Ministry of Defence on:

RfR 1: Armed Forces Retired Pay, Pensions etc

Payment of retired pay, pensions and lump sums benefits and associated non-cash items to persons covered by the scheme.

The **Ministry of Defence** will account for this Estimate.

Part II: Changes proposed

						£'000
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Armed Forces Retired Pay, Pensions etc						
Spending in Annually Managed Expenditure (AME)						
RfR 1 - A	Retired pay, pensions and other payments to service personnel and their dependants	4,588,662	2,634	2,633	1	4,588,663
	Total RfR 1		2,634	2,633	1	
	Total Changes to RfRs		2,634	2,633	1	

		£000		
	Present Provision	Change in Provision	New Provision	
Capital and Cash				
Total Capital Expenditure	-	-	-	
Non-Operating A in A	-	-	-	
Net cash requirement	1,584,369	20,000	1,604,369	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Armed Forces Retired Pay, Pensions etc								
-	-	6,020,757	6,020,757	1,432,094	4,588,663	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Retired pay, pensions and other payments to service personnel and their dependants								
-	-	6,020,757	6,020,757	1,432,094	4,588,663	-	-	
Total for Estimate:								
-	-	6,020,757	6,020,757	1,432,094	4,588,663	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	4,588,662	1	4,588,663
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-6,018,122	-	-6,018,122
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-98	-10,220	-10,318
Increase(-)/decrease (+) in creditors	-968	-11,253	-12,221
Use of provisions	3,014,895	41,472	3,056,367
Total accruals to cash adjustments	-3,004,293	19,999	-2,984,294
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,584,369	20,000	1,604,369

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Combined Revenue Account

	£'000
	2006-07 provision
Net Programme Costs	
RfR1	
Income	
Contributions received	1,427,281
Transfers in	4,613
Other income	199
Total income	<u>1,432,093</u>
Expenditure	
Increase in liability	1,772,948
Interest on scheme liability	4,247,808
Other expenditure	-
Total expenditure	<u>6,020,756</u>
Total Net Programme costs	4,588,663
Total Net Operating Cost	4,588,663
<i>of which:</i>	
Net Resource Requirement	4,588,663
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	4,588,663

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	4,588,663
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	4,588,663
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	4,588,663
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	4,588,663

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Bill Jeffrey, Permanent Head of the Department
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Bill Jeffrey as the Accounting Officer (AO) of the Ministry of Defence has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Ministry of Defence.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Armed Forces Retired Pay, Pensions etc	
Programme	1,432,094
<i>of which:</i>	
Pension scheme related income	1,432,094
Total RfR1	1,432,094 †
† Amount that may be applied as non-operating appropriations in aid, arising from: accruing superannuation liability charges and pension enhancements and transfers into the Armed Forces Pension Scheme (AFPS).	
Total Operating A in A	1,432,094

Notes to the Estimate (*continued*)

Cash which may be retained to offset expenditure**£'000**

1,432,094

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Foreign and Commonwealth Office

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community

Increases:

Reserve claims

1.DEL Reserve claim	
£12,849,000	12,849,000
Section A3	
FCO/HMT 50/50 International organisations cost sharing agreement	

2.DEL Reserve claim	
£14,600,000	14,600,000
Section A2	
Consular Premiums collected in the UK	

3. Transfer from the DEL Reserve	
£821,000	821,000
Section C3	
Overseas Pricing Mechanism (OPM)	

Transfer of budgetary cover from another RfR

4. Transfer from RfR2	
£8,500,000	8,500,000
Section A3	
Contribution to Afghan Delivery Plan	

Transfer from non-voted Spending (DUP)

1. Transfer from Non-Voted Spending	
£12,000,000	12,000,000
Section A1	
Take up from 2006-07 Impairment DUP	

Decreases:

Transfers to other government departments

1 Budgetary transfer to SIA	
£200,000	-200,000
Section A2	
Planned Programme activity	

2 Budgetary transfer to SIA	
£74,000	-74,000
Section A2	
Planned Programme activity	

Other Decreases

1. Transfer to the DEL Reserve £6,611,000; £3,837,000 Section A1 and A2 Overseas Pricing Mechanism (OPM)	-10,448,000
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Neutral Changes:Increased Spending offset by income

1. £16,600,000 Sections A1 and A5 Wider market sales	
2. £3,413,000 Sections A1 and A2 Reclaimable VAT	
3. £3,789,000 Sections A1 and A5 Invoice from FCO to DFID for FTN Services	
4. £1,210,000 Sections A1 and A5 Invoice from FCO to SOCA for FTN Services	
5. £1,766,000 Sections A1 and A5 Invoice from FCO to DFID for FTN Services	
6. £432,000 Sections A1 and A5 Invoice from FCO to DFID for FTN Services	
7. £168,000 Sections A1 and A5 Invoice from FCO to HMRC for FTN Services	
8. £439,000 Sections A3 and A5 Invoice from FCO to HO for Migration fund.	
9. £10,000,000 Sections A2 and A5 Consular A in A	
10. £2,000,000 Sections A1 and A5 Invoice from Cabinet Office	
10. £4,830,000 Sections A2 and A5 Invoice from FCO to HO for Afghan Delivery Plan	

Total change in resources for RfR1 38,048,000

RfR 2: Conflict prevention**Increases:**Take up of End-Year Flexibility (EYF)**1. Programme costs**

£4,000,000	4,000,000
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Section B3

Take up of 2005-06 Global Conflict Prevention Pool underspend for planned programme activity.

Transfers from other government departments

1. Budgetary transfer from SIA

£190,000	190,000
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Section A3

Africa Conflict Prevention activity

2. Budgetary transfer from DFID

£341,000	341,000
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Section A3

Africa Conflict Prevention activity

3. Budgetary transfer from DFID

£5,000,000	5,000,000
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Section A3

Africa Conflict Prevention activity (Sudan)

4. Budgetary Transfer from DFID

£5,000,000	5,000,000
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Section A3

Africa Conflict Prevention activity (Humanitarian)

5. Budgetary Transfer from DFID

£5,000,000	5,000,000
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Section A3

Africa Conflict Prevention activity (Peacekeeping)

6. Budgetary Transfer from DFID

£875,000	875,000
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Section A3

QIPs.

Reserve claim

1. Reserve claim

£950,000	950,000
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Section D3

GCPP(PEACEKEEPING)

2. Drawdown balance of Global Peacekeeping Main Estimate Provision

£46,500,000	46,500,000
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Section D3

For planned programme activity and budgetary transfers

3. Drawdown balance of Africa Peacekeeping Main Estimate Provision

£60,500,000	60,500,000
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Section C3

For planned programme activity and budgetary transfers

Transfers from non-voted spending (DUP)

1. Departmental Unallocated Provision (DUP)	
£10,000,000	10,000,000
Section B3	
For planned programme activity and budgetary transfers	

Decreases:Transfers to other government Departments

1. Budgetary transfer to MOD	
£53,000,000	-53,000,000
Section D3	
For Peacekeeping (Balkans)	
2. Budgetary transfer to MOD	
£4,200,000	-4,200,000
Section B3	
Planned Programme activity	

Transfers between RfRs

To RfR 1	
£8,500,000	-8,500,000
Section D3	
Contribution to Afghan Delivery Plan	

Total change in resources for RfR2 72,656,000

Total change in resources for Estimate 110,704,000

Changes in capital**Increases:**

1. Reserve claim	
£9,094,000	9,094,000
Section A7	
FCO/HMT 50/50 International organisations cost sharing agreement	

Decreases

1. Transfer to the DEL Reserve	
£318,000	-318,000
Section A7	
Overseas Pricing Mechanism (OPM)	

Neutral ChangesIncreased spending offset by income

1. £1,087,000	
Section A7 and A8	
Asset Recycling Agreement	
2. £7,600,000	
Section A7 and A8	
Asset Recycling Agreement	

Total change in capital for Estimate 8,776,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £ 127,480,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	38,048,000
RfR 2: Conflict prevention	72,656,000
Total additional net resource requirement	110,704,000
Additional net cash requirement	127,480,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Foreign and Commonwealth Office on:

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community

Expenditure by the Foreign and Commonwealth Office (FCO), including UK Trade and Investment, on its administration, Wilton Park Executive Agency, hospitality and facilities; international organisations; grants in aid to bodies supporting FCO objectives; scholarships, information services and sponsored visits; special payments and assistance programmes to support foreign policy objectives including human rights, good governance, international security and the fight against the illicit drug trade; on grant in aid to the BBC World Service for broadcasting and to the British Council; the refund of certain taxes and duties paid by certain Foreign and Commonwealth governments and international organisations; and on associated non-cash items.

RfR 2: Conflict prevention

Expenditure by the Foreign and Commonwealth Office on conflict prevention, early warning, crisis management, conflict resolution/peacemaking, peacekeeping and peacebuilding activity and on associated strengthening of international and regional systems and capacity.

The Foreign and Commonwealth Office will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Administration, programmes and international organisations subscriptions	1,183,964	81,874	44,647	37,227	1,221,191
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RfR 1 - C	British Council	179,503	821	-	821	180,324
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Total RfR 1		82,695	44,647	38,048		
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RfR 2: Conflict prevention

Spending in Departmental Expenditure Limits (DEL)

RfR 2 - A	Sub-Saharan Africa - Programme expenditure	2,893	15,531	-	15,531	18,424
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RfR 2 - B	Global - Programme expenditure	38,570	10,675	-	10,675	49,245
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RfR 2 - C	Sub-Saharan Africa - Peacekeeping	125,141	60,500	-	60,500	185,641
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RfR 2 - D	Global - Peacekeeping	126,270	-14,050	-	-14,050	112,220
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Total RfR 2		72,656	-	72,656		
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Total Changes to RfRs		155,351	44,647	110,704		
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£'000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	168,603	17,463	186,066
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Non-Operating A in A	60,000	8,687	68,687
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Net cash requirement	1,824,493	127,480	1,951,973
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Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community								
977,836	773,955	280,930	2,032,721	414,938	1,617,783	186,066	68,687	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration, programmes and international organisations subscriptions								
977,836	385,088	224,130	1,587,054	414,938	1,172,116	186,066	68,687	
B BBC World Service broadcasting								
-	208,543	-	208,543	-	208,543	-	-	
C British Council								
-	180,324	-	180,324	-	180,324	-	-	
D BBC World Service - Capital Grant								
-	-	31,000	31,000	-	31,000	-	-	
E British Council - Capital Grant								
-	-	7,800	7,800	-	7,800	-	-	
Non-Budget								
F Reimbursement of certain duties, taxes and licence fees								
-	-	18,000	18,000	-	18,000	-	-	
RfR 2: Conflict prevention								
-	-	365,530	365,530	-	365,530	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Sub-Saharan Africa - Programme expenditure								
-	-	18,424	18,424	-	18,424	-	-	
B Global - Programme expenditure								
-	-	49,245	49,245	-	49,245	-	-	
C Sub-Saharan Africa - Peacekeeping								
-	-	185,641	185,641	-	185,641	-	-	
D Global - Peacekeeping								
-	-	112,220	112,220	-	112,220	-	-	
Total for Estimate:								
977,836	773,955	646,460	2,398,251	414,938	1,983,313	186,066	68,687	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	1,872,609	110,704	1,983,313
Voted capital items			
Capital	168,603	17,463	186,066
<i>Less:</i> Non-operating A in A	60,000	8,687	68,687
Total net voted capital	108,603	8,776	117,379
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-39,835	1,620	-38,215
Depreciation	-116,624	6,380	-110,244
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-260	-	-260
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-156,719	8,000	-148,719
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,824,493	127,480	1,951,973

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	847,331
RfR2	-
	<hr/>
Total Net Administration Costs	847,331
Net Programme Costs	
RfR1	768,051
RfR2	365,530
Non-voted expenditure	6,713
	<hr/>
Total Net Programme costs	1,140,294
Total Net Operating Cost	1,987,625
<i>of which:</i>	
Net Resource Requirement	1,983,313
Non-voted expenditure	6,713
Consolidated Fund Extra Receipts	-2,401
Resource Budget	1,969,126

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	1,983,313
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	6,713
Consolidated Fund extra receipts in the OCS	-2,401
Other adjustments	-
Net Operating Costs (Accounts)	1,987,625
<i>Adjustments to remove:</i>	
capital grants	-40,400
European Union income related to capital grants	-
voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,401
resource consumption of non-departmental public bodies	-
unallocated resource provision	37,500
Other adjustments	-
Resource Budget (Budget)	1,969,126
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,969,126
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	117,379
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	40,400
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	1,000
Other adjustments	-
Capital Budget (Budget)	158,779
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	158,779
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Peter Ricketts, Permanent Head of the Department

Request for Resources 2 Peter Ricketts, Permanent Head of the Department

Peter Ricketts as the Accounting Officer of the Foreign and Commonwealth Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Foreign and Commonwealth Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community

Administration	130,505
<i>of which:</i>	
Sale of goods and services	130,505
Programme	284,433
<i>of which:</i>	
Sale of goods and services	256,817
DFID payments to the Commonwealth Foundation	247
CFERs	-2,400
Other income (including receipts)	29,769

Total RfR1	414,938 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments, receipts for visa, passport and other services provided at consular offices; Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; repayments of defence assistance loans to Singapore and Malaysia, receipts from Home Office in relation to the Migration Fund and the Afghan Delivery Plan, receipts from other Government Departments in relation to telecommunications, receipts from asset sales, receipts from Sales into Wider Markets.

Total Operating A in A	414,938
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Analysis of non - operating appropriations in aid (A in A)

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	68,687
<i>of which:</i>	
Sale of assets	57,687
Sale of goods and services	11,000

Total RfR1	68,687 †
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† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: the sale of land and buildings, receipts from the sale of official vehicles and receipts realised by the British Council.

Total Non - operating A in A	68,687
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	110,704	-22,000	1,924,913	44,213	1,969,126
<i>of which:</i>					
<i>Administration budget*</i>	5,389	-12,000	847,331	37,500	884,831
<i>Near-cash in RDEL</i>	128,704	-10,000	1,786,194	21,213	1,807,407
Capital**	8,776	-	157,779	1,000	158,779
Less Depreciation†	-6,380	-12,000	-110,244	-23,000	-133,244
Total	113,100	-34,000	1,972,448	22,213	1,994,661

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
483,625

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body		£ '000
RfR1	BBC World Service Broadcasting	◆	239,543
RfR1	British Council	◆	187,303
RfR1	Westminster Foundation for Democracy	◆	4,100

International subscriptions

RfR/Section	Body		£ '000
RfR1	UN Regular Budget		60,913
RfR1	Commonwealth Secretariat		4,170
RfR1	OECD		13,094
RfR1	Western European Union		2,090
RfR1	NATO Civil Budget		18,694
RfR1	NATO HQ		1,697
RfR1	Council of Europe		19,593
RfR1	OSCE		3,310

Department for International Development

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Eliminating poverty in poorer countries

Increases:

Spending within Departmental Expenditure Limits(DEL)

Take up of end-year flexibility

- | | | |
|----|---|------------|
| 1, | Near cash programme EYF drawn down, added to section D
Support for budgets for humanitarian assistance programmes and contributions to international aid organisations | 47,077,000 |
| 2. | Administration, non-cash EYF drawn down, added to section G
Increased provision for non cash costs on centrally managed budgets | 30,000,000 |

Transfers from non-voted -spending

- | | | |
|----|--|-----------|
| 1. | Take up of departmental unallocated provision
Allocated to budgets voted in section D for humanitarian assistance programmes and contributions to international aid organisations | 6,544,000 |
| 2. | Increase in programme resource in Section D , funded from in-year savings on non-voted payments to the International Finance Facility for Immunisation | 8,470,000 |

Other increases

- | | | |
|----|--|---------|
| 1. | Additional near cash resource from the central Reserve relating to donation to BandAid Charitable Trust equivalent to VAT paid on Band Aid events - added to section A | 343,000 |
| 2. | Increased provision in administration costs for purchase of legal services, funded in budgetary terms by a transfer of near cash administration costs from the Cabinet Office- section G | 12,000 |

Increases in Annually Managed Expenditure (AME)

- | | | |
|----|--|------------|
| 1. | Increased expense for provision against future payments to the International Finance Facility for Immunisation (section K) | 94,280,000 |
| 2 | Increased provision for cost of capital charges for Self Financed Public Corporations (Section J) | 11,000,000 |

Increases in non-budget spending

- | | | |
|---|---|-------|
| 1 | Token provision for receipt of EU research funding in new Section L | 1,000 |
|---|---|-------|

Neutral Changes:Transfers within the RfR

Switch of £30,343,000 from section A to section D - reallocation between programmes in line with forecast outturn for the year

Total change in resources for RfR1 197,727,000

RfR 2: Conflict prevention**Increases:**Transfer from non-voted spending

1	Take up of departmental unallocated provision Programme resource to Section A for Africa Conflict Prevention programmes	1,085,000
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Total change in resources for RfR2 1,085,000

Total change in resources for Estimate 198,812,000

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £7,055,000

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Eliminating poverty in poorer countries	197,727,000
RfR 2: Conflict prevention	1,085,000
Total additional net resource requirement	198,812,000
Additional net cash requirement	7,055,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for International Development on:

RfR 1: Eliminating poverty in poorer countries

International development under the International Development Act 2002, including financial and technical assistance to governments, institutions, voluntary agencies and individuals; capital and other subscriptions and contributions, including payments under guarantee to multilateral development banks and other international and regional bodies; emergency, refugee and other relief assistance; contributions to pension funds and grants in lieu of pensions in respect of overseas service; global environment assistance; payments to United Nations Educational Scientific and Cultural Organisation (UNESCO); current and capital costs relating to investments in public corporations and shareholdings in private sector companies; payments (under the authority of the European Communities Act 1972) to certain beneficiaries of the Gibraltar Social Insurance Fund; administration, related capital expenditure and other administrative costs; and associated non-cash items.

RfR 2: Conflict prevention

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking and peacebuilding activity and on associated strengthening of international and regional systems and capacity; post-conflict reconstruction programmes, including administration and related capital expenditure; and associated non-cash items.

The **Department for International Development** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Eliminating poverty in poorer countries					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Reducing Poverty in sub-Saharan Africa	1,121,960	-30,000	-	-30,000	1,091,960
RfR 1 - D Improve the Effectiveness of Multilateral Aid	1,718,930	92,434	-	92,434	1,811,364
RfR1 - G Central Departments	82,800	30,012	-	30,012	112,812
Spending in Annually Managed Expenditure (AME)					
RfR1 - J Programmes Contributing to Multiple Objectives	77,970	11,000	-	11,000	88,970
RfR 1 - K Grants to International Finance Facility for Immunisation	200,620	94,280	-	94,280	294,900
Non - Budget					
RfR1- L EU research grants (net)	-	1	-	1	1
Total RfR 1		197,727	-	197,727	
RfR 2: Conflict prevention					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A Africa Conflict Prevention	21,540	1,085	-	1,085	22,625
Total RfR 2		1,085	-	1,085	
Total changes to RfRs		198,812	-	198,812	
£000					
Capital and Cash					
Total Capital Expenditure	46,565	-		46,565	
Non-Operating A in A	26,565	-		26,565	
Net cash requirement	4,277,984	7,055		4,285,039	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Eliminating poverty in poorer countries								
264,512	949,269	3,486,799	4,700,580	4,233	4,696,347	46,565	26,565	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Reducing Poverty in sub-Saharan Africa								
51,500	170,741	869,826	1,092,067	107	1,091,960	6,565	455	
B Reducing Poverty in Asia								
32,700	97,752	657,372	787,824	107	787,717	1,200	755	
C Reducing Poverty in the Rest of the World								
20,300	61,323	114,355	195,978	414	195,564	900	3,135	
D Improve the Effectiveness of Multilateral Aid								
14,300	95,200	1,702,149	1,811,649	285	1,811,364	16,580	16,917	
E Developing Innovative Approaches to Development								
20,100	10,498	38,591	69,189	-	69,189	10	-	
F Programmes Contributing to Multiple Objectives								
10,300	129,885	98,205	238,390	820	237,570	-	5,000	
G Central Departments								
115,312	-	-	115,312	2,500	112,812	21,310	23	
H Certain Beneficiaries of the Gibraltar Social Insurance Fund								
-	-	6,300	6,300	-	6,300	-	-	
I Crown Agents Loan Repayments								
-	-	-	-	-	-	-	280	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
J Programmes Contributing to Multiple Objectives								
-	88,970	-	88,970	-	88,970	-	-	
K Grants to International Finance Facility for Immunisation								
-	294,900	-	294,900	-	294,900	-	-	
Non-Budget								
L EU research grants (net)								
-	-	1	1	-	1	-	-	
RfR 2: Conflict prevention								
3,000	8,130	29,085	40,215	-	40,215	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Africa Conflict Prevention								
-	3,540	19,085	22,625	-	22,625	-	-	
B Global Conflict Prevention								
-	2,590	10,000	12,590	-	12,590	-	-	
C Post Conflict Reconstruction								
3,000	2,000	-	5,000	-	5,000	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Total for Estimate:								
267,512	957,399	3,515,884	4,740,795	4,233	4,736,562	46,565	26,565	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	4,537,750	198,812	4,736,562
Voted capital items			
Capital expenditure	46,565	-	46,565
<i>Less:</i> non-operating A in A	26,565	-	26,565
Total net voted capital	20,000	-	20,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-135,286	-5,900	-141,186
Depreciation	-22,010	-	-22,010
New provisions and adjustments to previous provisions	-198,910	-129,380	-328,290
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-260	-	-260
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-4,451	-	-4,451
Increase(-)/decrease (+) in creditors	56,477	-48,007	8,470
Use of provisions	24,674	-8,470	16,204
Total accruals to cash adjustments	-279,766	-191,757	-471,523
Excess cash to be CFERd	-	-	-
Net cash requirement	4,277,984	7,055	4,285,039

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR 1	262,012
RfR 2	3,000
Total Net Administration Costs	265,012
Net Programme Costs	
RfR 1	4,434,335
RFR 2	37,215
Total Net Programme costs	4,471,550
Total Net Operating Cost	4,736,562
<i>of which:</i>	
Net Resource Requirement	4,736,562
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	5,401,561

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Outturn (Estimates)	4,736,562
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	4,736,562
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	665,000
Resource Budget Outturn (Budget)	5,401,561
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	5,017,691
Annually Managed Expenditure (AME)	383,870

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital Outturn (Estimates)	20,000
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	20,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	20,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Sir Suma Chakrabarti, Permanent Head of the Department

Request for Resources 2 Sir Suma Chakrabarti, Permanent Head of the Department

Sir Suma Chakrabarti as the Principal Accounting Officer (PAO) of the Department for International Development has personal responsibility for the proper presentation of the Department for International Development's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Department for International Development.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Department for International Development's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000
	2006-07
	Provision
	Operating
	A in A
RfR 1: Eliminating poverty in poorer countries	
Administration	2,500
<i>of which:</i>	
Sales of goods and services	2,500
Programme	1,733
<i>of which:</i>	
Sales of good and services	1,000
EU income	-
Interest and dividend	733
CFERs	-
Total RfR1	4,233 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from overseas governments in respect of bilateral country and sector programmes; refunds of payments made under UK guarantees to the European Investment Bank; receipts of interest on bilateral and multilateral loans; administration receipts for: seconded officers, including recovery of the European Bank for Reconstruction and Development Executive Director's salary; recoveries from other government departments; rental income; recoveries from staff for use of official

Analysis of non-operating appropriations in aid (A in A)

	£'000
	2006-07
	Provision
RfR 1: Eliminating poverty in poorer countries	
Programme	26,565
<i>of which:</i>	
Sales of assets	53
Loan, etc. repayments	26,512
Total RfR1	26,565 †
† Amount that may be applied as non-operating appropriations in aid arising from repayments of loans given to the Crown Agents; capital repayments of development assistance loans, income from debentures issued to DFID by CDC Group plc and income from the sale of land, buildings, surplus vehicles, and other fixed assets.	
Total non-operating A in A	26,565

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	93,531	-36,315	4,352,691	665,000	5,017,691
<i>of which:</i>					
<i>Administration budget*</i>	30,012	-	265,012	-	265,012
<i>Near-cash in RDEL</i>	63,531	-36,315	4,262,319	681,204	4,943,523
Capital**	-	-	20,000	-	20,000
Less Depreciation†	-	-	-22,010	-	-22,010
Total	93,531	-36,315	4,350,681	665,000	5,015,681

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

£'000
30,798

Department of Trade and Industry

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Increasing UK competitiveness

Increases:

Take up of Resource End Year Flexibility

Administration costs RfR1: subhead G1 Increase in administration costs (£1,965,000 near-cash and £582,000 non-cash) relating to the restructuring of UK Trade and Investment	2,547,000
Programme costs RfR1: subhead D3 Increase in resource grants (near- cash) - renewable energy Performance and Innovation Fund	800,000
Programme costs RfR1: subhead J3 Increase in non-cash for movement in Concessionary Fuel provision	55,258,000

Transfers from RfR2

Administration costs RfR1: subhead G1 Increase in administration costs relating to restructuring of United Kingdom Trade and Investment	319,000
Administration costs RfR1: subhead I1 Increase in administration costs for the Insolvency Service	148,000

Transfers from Central Funds

Programme costs RfR1: subhead B3 New provision for face to face debt advice, funded by an award from the Financial Inclusion Fund	1,500,000
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Other Increases

Programme costs RfR1: subhead G3 Increase in resource grants relating to restructuring of United Kingdom Trade and Investment funded in budgetary terms by a transfer of near-cash Resource DEL from United Kingdom Trade and Investment	4,373,000
Administration costs RfR1: subhead L1 Increased provision for European Division funded in budgetary terms by a transfer of DEL cover from the Treasury Solicitor's Department	100,000

Transfers from non-voted provision

Programme costs RfR1: subhead A3 switch between Science Research Councils and Waste Electronic and Electrical Equipment Directive	27,000,000
Programme costs RfR1: subhead A3 switch between Science Research Councils and National Measurement System	6,000,000
Programme costs RfR1: subhead J2 switch between Nuclear Decommissioning Authority capital and Cost of Capital credit on UKAEA property and restructuring liabilities	1,500,000
Programme costs RfR1: subhead J3 switch Coal Authority underspend to voted expenditure in respect of Shipbuilding support	2,087,000

Annually Managed Expenditure

Programme costs Revised forecast RfR1: subhead O3 Increased forecast for London Development Agency Corporation Tax	953,000
Programme costs RfR1: subheads N2 and N3 Increased forecasts for Cost of Capital and Movement in provision for coal health liabilities and related assets	116,740,000
Programme costs RfR1: subhead W3 Creation of new Section within RfR1 to reflect reclassification of Paternity Pay from nonvoted to voted expenditure	50,000,000

Non-Budget

Programme costs Revised forecast RfR1: subhead S3 Increase in Grant-in -Aid provision for Regional Development Agencies to reflect increased expenditure as result of MoG transfer from DEFRA to RDAs for "Natural England"	4,172,000
Programme costs Revised forecast RfR1: subhead S3 Regional Development Agencies Grant in Aid increased to reflect utilisation of resource End Year Flexibility	7,739,000
Programme costs Revised forecast RfR1: subhead V3 Nuclear Decommissioning Authority Grant in Aid increased to reflect utilisation of resource End Year Flexibility	60,000,000

Programme costs	
Revised forecast	
RfR1: subhead V3	5,193,000
Nuclear Decommissioning Authority Grant in Aid increased to support additional capital expenditure	

Decreases:**Transfers from capital grants to capital**

Programme costs	
RfR1: subheads F3 to J7	-5,000,000
Switch Regional Selective Assistance capital grant underspends to fund British Shipbuilders' PDC	
Programme costs	
RfR1: subheads L3 to L7	-5,211,000
2 roof strategy	
Programme costs	
RfR1: subheads D3 to L7	-300,000
Switch renewable energy capital grant underspends to fund core Department capital	
Programme costs	
RfR1: subheads K3 to L7	-790,000
Switch nuclear non-proliferation capital grant underspends to fund core Department capital	

Other Decreases

Administration costs	
RfR1: subhead G1	-1,013,000
Reduction to fund budgetary transfer to Department for Communities and Local Government in respect of United Kingdom Trade and Investment contribution to English Regional Offices	
Programme costs	
RfR1: subhead A3	-492,000
Reduction to fund budgetary transfer to Northern Ireland in respect of the Waste Electronic and Electrical Equipment Directive	

Non-Budget

Programme costs	
RfR1: subhead J3	-2,087,000
Reduction of Coal Authority Grant in Aid reflecting switch of underspend to voted expenditure in respect of Shipbuilding support	

Neutral Changes:

Spending offset by A-in-A	
£11,800,000	
RfR1: subheads A2 and A5	
Increased National Measurement System expenditure financed by increased receipts	
Spending offset by A-in-A	
£1,542,000	

RfR1: subheads B2 and B5

Increased Ofcom Spectrum Management expenditure financed by increased receipts

Spending offset by A-in-A

£28,445,000

RfR1: subheads I2 and I5

Increased Insolvency Service expenditure financed by increased receipts

Movements within the RfR (Switch from admin to programme)

£17,000

RfR1: subheads I3 and L1

Administration noncash costs switched from core Department to Insolvency Service programme

Movements within the RfR (Switch from admin to programme)

£820,000

RfR1: subheads I2 and L1

Administration cash costs switched from core Department to Insolvency Service programme

Movements within the RfR

£450,000

RfR1: subheads A3 and E3

Future and Innovation Unit

Movements within the RfR

£3,510,000

RfR1: subheads C3 and D3

Switch from renewable energy capital grants to Coal Investment Aid

Movements within the RfR

£2,000,000

RfR1: subheads C3 and F3

Switch from Regional Selective Assistance capital grants to Coal Investment Aid

Movements within the RfR

£25,000,000

RfR1: subheads E3 and L3

Switch from Small Firms Loan Guarantee Scheme provisions to restructuring provisions

Movements within the RfR

£1,976,000

RfR1: subheads I2 and L2

Switch from core Department to INSS for CIB

Movements within the RfR

£4,661,000

RfR1: subheads J1 and L1

Reclassification of Shareholder Executive against Assets and Liabilities objective

Movements within the RfR

£3,000,000

RfR1: subheads V3 and X3

Creation of new Section within RfR1 to reflect switch of grant from Nuclear Decommissioning Authority to Civil Nuclear Police Authority

Movements within the RfR
 £81,000
 RfR1: subheads I1 and L1
 switch of admin from Departmental administration to the Insolvency Service

Movements within the RfR
 £479,000
 RfR1: subheads G1 and L1
 switch of admin from Departmental administration to UKTI

Total change in resources for RfR1 331,536,000

RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society

Increases:

Transfers from non-voted provision

Programme costs
 RfR2: subhead D3 1,825,000
 switch between OST Initiatives and nonvoted expenditure on Council for the Central
 Laboratory of the Research Councils

Programme costs
 RfR2: subhead D3 975,000
 switch between Science and Society and nonvoted expenditure on the Natural Environment
 Research Council

Annually Managed Expenditure

Programme costs
 Revised forecast
 RfR2: subhead J3 2,000,000
 Increased forecast for Science Research Councils pensions

Non-Budget

Programme costs
 Revised forecast 9,532,000
 RfR2: subhead L3
 Increase in Grant in Aid for Biotechnology and Biological Sciences Research Council,
 reflecting switch of non-voted non-cash to capital

Programme costs
 Revised forecast 395,000
 RfR2: subhead P3
 Increase in Grant in Aid for Natural Environment Research Council, reflecting switch of non-
 voted non-cash to capital

Programme costs
 Revised forecast 6,424,000
 RfR2: subhead Q3
 Increase in Grant in Aid for Particle Physics and Astronomy Research Council, reflecting
 switch of non-voted non-cash to capital

Programme costs	
Revised forecast	29,149,000
RfR2: subhead R3	
Increase in Grant in Aid for Council for the Central Laboratory of the Research Councils, reflecting switch of non-voted non-cash to capital	

Decreases:Transfers to RfR1

Administration costs	
RfR1: subhead I1	-148,000
SEB underspend transferred to RfR1	
Administration costs	
RfR1: subhead H1	-319,000
TSTG, underspend transferred to RfR1	

Transfers to non-voted provision

Programme costs	
RfR2: subhead F5	-3,000,000
switch of underspend from Science Research Investment Fund to fund Biotechnology and Biological Sciences Research Council	
Capital Costs	-5,710,000
RfR2: subhead I5	
Increased capital contributions for Biotechnology and Biological Sciences Research Council from Other Government Departments	

Neutral Changes:

Movements within the RfR
£1,200,000
RfR2: subheads C3 and D3
switch between British Academy and Office of Science and Innovation Initiatives

Movements within the RfR
£2,301,000
RfR2: subheads K3 and L3
switch between Grants in Aid for Arts and Humanities Research Council and Biotechnology and Biological Sciences Research Council

Movements within the RfR
£9,995,000
RfR2: subheads O3 and P3
switch between Grants in Aid for Medical Research Council and Natural Environment Research Council

Movements within the RfR
£26,431,000
RfR2: subheads N3 and Q3
switch between Grants in Aid for Engineering and Physical Sciences Research Council and Particle Physics and Astronomy Research Council

Movements within the RfR
£182,000
RfR2: subheads R3 and S3
Virement between Grants in Aid for Council for the Central Laboratory of the Research Councils and Council for the Central Laboratory of the Research Councils (Diamond Synchrotron)

Spending offset by A-in-A
 £770,000
 RfR2: subheads F3 and F5
 Public Sector Research Establishments

Spending offset by A-in-A
 £125,000
 RfR2: subheads U3 and U5

Total change in resources for RfR2 41,123,000

Total change in resources for Estimate 372,659,000

Changes in capital

Increases:

Transfer from capital grants to capital

RfR1: subheads F3 and J7 Switch Regional Selective Assistance capital grant underspends to fund British Shipbuilders' PDC	5,000,000
RfR1: subheads L3 and L7 2 roof strategy	5,211,000
RfR1: subheads D3 to L7 Switch renewable energy capital grant underspends to fund core Department capital	300,000
RfR1: subheads K3 to L7 Switch nuclear non-proliferation capital grant underspends to fund core Department capital	790,000

Annually Managed Expenditure

Revised forecast £550,000,000 RfR1: subhead N7 increased working capital facility for Royal Mail	550,000,000
Revised forecast £64,000,000 RfR1: subhead N7 Purchase of equity to topup Royal Mail Reserve to enable Pensions Escrow	64,000,000

Total change in capital for Estimate 625,301,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £823,880,000.
- Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Increasing UK competitiveness	331,536,000
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	41,123,000
Total additional net resource requirement	372,659,000
Additional net cash requirement	823,880,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department of Trade and Industry on:

RfR 1: Increasing UK competitiveness

Promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections identified within the portfolios of innovation, international trade and investment, regional investment, enterprise for small firms and people & skills; support for business, including support for specific industries, small businesses, regional programmes and programmes to promote research and development, innovation, best practice and sustainable development; promotion of strong, fair and competitive markets at home and abroad including developing fair and effective legal and regulatory frameworks, measures to protect investors, measures to promote the interests of consumers, support for employment relations programmes and measures to promote a skilled and flexible labour market; support for energy-related activities including measures related to regulation, civil emergency planning, environmental remediation and support for new and sustainable energy sources, security, non-proliferation; safety, environment and social impact programmes relating to nuclear sites in Central and Eastern Europe and the former Soviet Union and other countries where future G8 Global Partnership related initiatives may be pursued; the efficient management and discharge of liabilities falling to the Department including nuclear waste management and decommissioning and liabilities in respect of former coal and shipbuilding industry employees; provision of repayable credit facilities for British Energy and Royal Mail; petroleum royalties; exchange risk and other guarantee losses; subscriptions to international organisations and fulfilment of international treaty obligations; payments to other Government Departments and the Devolved Administrations in relation to programmes supporting DTI objectives; support for Government Offices; grants and grants-in-aid to organisations promoting DTI objectives, including Non-Departmental Public Bodies; financial assistance to public corporations including Ofcom and Royal Mail; managing the Government's shareholder interest in British Energy, BNFL, UKAEA, Royal Mint, Partnerships UK and Actis; funding of the department's executive agencies; issuing budgets and making payments to Regional Development Agencies, to which other government departments will contribute by supplying resources which DTI will appropriate in aid; payments to local authorities in respect of Local Area Agreements and New Burdens responsibilities; miscellaneous programmes including payments in respect of claims for the restitution of property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers and dismissed miners; departmental administration costs and a share of the administration costs of UK Trade and Investment; payments towards the expenses of the Office of Manpower Economics; associated non-cash items.

RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society

Research Councils; the Royal Society; the Royal Academy of Engineering; the British Academy; Office of Science and Innovation initiatives; nuclear fusion; the Cambridge/Massachusetts Institute of Technology; the Council for the Central Laboratory of the Research Councils for Diamond Synchrotron; the University Challenge Fund; the Joint Infrastructure Fund; the Science Research Investment Fund; Foresight Link Awards; the Department for Education and Skills, for the Higher Education Innovation Fund; exploitation of discoveries at public sector research establishments; the Foreign and Commonwealth Office for Dorothy Hodgkin Scholarships; fees payable under the Animals (Scientific Procedures) Act 1986; Research Council pensions; capital and administration costs of the Office of Science and Technology and associated non-cash items.

The Department of Trade and Industry will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Increasing UK competitiveness					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Knowledge Transfer and Innovation	298,653	44,758	11,800	32,958	331,611
RfR 1 - B Extending Competitive Markets	47,388	3,042	1,542	1,500	48,888
RfR 1 - C Security of Energy Supply	-6,527	5,510	-	5,510	-1,017
RfR 1 - D Sustainability and the Environment	107,847	-3,010	-	-3,010	104,837
RfR 1 - E Enterprise Growth and Business Investment	167,589	-25,450	-	-25,450	142,139
RfR 1 - F Regional Economies	-1,668,087	-7,000	-	-7,000	-1,675,087
RfR 1 - G Trade and Investment	33,718	6,705	-	6,705	40,423
RfR 1 - I Corporate Activity and Insolvency Framework	58,456	31,487	28,445	3,042	61,498
RfR 1 - J Assets and Liabilities	-1,223,378	63,506	-	63,506	-1,159,872
RfR 1 - K Nuclear Security and Export Control	54,591	-790	-	-790	53,801
RfR 1 - L Activities in Support of all Objectives	296,704	11,855	-	11,855	308,559
Spending in Annually Managed Expenditure (AME)					
RfR 1 - N Assets and Liabilities	-9,571	116,740	-	116,740	107,169
RfR 1 - O Regional Economies	2,501	953	-	953	3,454
Non-Budget					
RfR 1 - S Regional Economies	1,851,034	11,911	-	11,911	1,862,945
RfR 1 - V Assets and Liabilities	2,838,995	60,106	-	60,106	2,899,101
Spending in Annually Managed Expenditure (AME)					
RfR1-W Maximising Potential in the Workplace	-	50,000	-	50,000	50,000
Non-Budget					
RfR1-X Nuclear Security and Export Control	-	3,000	-	3,000	3,000
Total RfR 1		373,323	41,787	331,536	

RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society

Spending in Departmental Expenditure Limits (DEL)

RfR 2 - C British Academy	18,085	-1,200	-	-1,200	16,885
RfR 2 - D OST Initiatives	6,975	3,025	-	3,025	10,000
RfR 2 - E Knowledge Transfer	94,000	770	770	-	94,000
RfR 2 - F Science Research Investment Fund	300,000	-3,000	-	-3,000	297,000
RfR 2 - G Science and Engineering Base Administration Costs	3,500	-148	-	-148	3,352

RfR 2 - H	Transdepartmental Science and Technology Group administration costs	5,000	-319	-	-319	4,681
RfR 2 - I	Biotechnology and Biological Sciences Research Council	-1,000	-	5,710	-5,710	-6,710
Spending in Annually Managed Expenditure (AME)						
RfR 2 - J	Research Councils' Pension Schemes	15,202	2,000	-	2,000	17,202
Non-Budget						
RfR 2 - K	Arts and Humanities Research Council	90,557	-2,301	-	-2,301	88,256
RfR 2 - L	Biotechnology and Biological Sciences Research Council	366,185	11,833	-	11,833	378,018
RfR 2 - N	Engineering and Physical Sciences Research Council	663,565	-26,431	-	-26,431	637,134
RfR 2 - O	Medical Research Council	512,418	-9,995	-	-9,995	502,423
RfR 2 - P	Natural Environment Research Council	355,971	10,390	-	10,390	366,361
RfR 2 - Q	Particle Physics and Astronomy Research Council	295,645	32,855	-	32,855	328,500
RfR 2 - R	Council for the Central Laboratory of the Research Councils	128,952	29,331	-	29,331	158,283
RfR 2 - S	Council for the Central Laboratory of the Research Councils - Diamond Synchrotron	45,000	-182	-	-182	44,818
Spending in Departmental Expenditure Limits (DEL)						
RfR 2 - U	Science and Society	9,000	1,100	125	975	9,975
Total RfR 2			47,728	6,605	41,123	
Total Changes to RfRs			421,051	48,392	372,659	

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	12,458,456	625,301	13,083,757
Non-Operating A in A	11,954,845	-	11,954,845
Net cash requirement	8,066,248	823,880	8,890,128

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Increasing UK competitiveness								
347,780	720,329	5,998,085	7,066,194	3,376,647	3,689,547	13,083,757	11,954,845	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Knowledge Transfer and Innovation								
7,899	162,701	173,366	343,966	12,355	331,611	16,809	166	
B Extending Competitive Markets								
-	122,465	23,451	145,916	97,028	48,888	-	-	
C Security of Energy Supply								
-	3,784	6,619	10,403	11,420	-1,017	-	-	
D Sustainability and the Environment								
-	27,725	77,822	105,547	710	104,837	-	-	
E Enterprise Growth and Business Investment								
-	122,702	35,887	158,589	16,450	142,139	52,000	-	
F Regional Economies								
-	7,900	48,726	56,626	1,731,713	-1,675,087	-	-	
G Trade and Investment								
36,462	-	4,373	40,835	412	40,423	-	-	
H Maximising Potential in the Workplace								
-	59,122	80	59,202	203	58,999	1,035	-	
I Corporate Activity and Insolvency Framework								
13,011	172,117	5,131	190,259	128,761	61,498	100	385	
J Assets and Liabilities								
4,661	38,350	156,506	199,517	1,359,389	-1,159,872	5,000	-	
K Nuclear Security and Export Control								
-	191	53,610	53,801	-	53,801	-	-	
L Activities in Support of all Objectives								
285,747	5,414	25,000	316,161	7,602	308,559	18,813	4,291	
<i>Support for Local Authorities</i>								
M Grants to London Development Agency								
-	-	392,689	392,689	-	392,689	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
N Assets and Liabilities								
-	-12,742	119,916	107,174	5	107,169	12,990,000	11,950,000	
<i>Support for Local Authorities</i>								
O Regional Economies								
-	-	3,454	3,454	-	3,454	-	-	
Non-Budget								
P Extending Competitive Markets								
-	-	38,217	38,217	-	38,217	-	-	

Part II: Revised subhead detail including additional provision

	Resources					Capital		£'000
	1	2	3	4	5	6	7	8
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
Q Security of Energy Supply	-	10,600	11,300	21,900	10,599	11,301	-	-
R Enterprise Growth and Business Investment	-	-	6,500	6,500	-	6,500	-	-
S Regional Economies	-	-	1,862,945	1,862,945	-	1,862,945	-	-
T Maximising Potential in the Workplace	-	-	-	-	-	-	-	-
U Corporate Activity and Insolvency Framework	-	-	392	392	-	392	-	-
V Assets and Liabilities	-	-	2,899,101	2,899,101	-	2,899,101	-	3
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
W Maximising Potential in the Workplace	-	-	50,000	50,000	-	50,000	-	-
Non-Budget								
X Nuclear Security and Export Control	-	-	3,000	3,000	-	3,000	-	-
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society								
	8,033	17,318	3,117,426	3,142,777	7,672	3,135,105	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A The Royal Society	-	-	36,359	36,359	-	36,359	-	-
B Royal Academy of Engineering	-	-	7,885	7,885	-	7,885	-	-
C British Academy	-	-	16,885	16,885	-	16,885	-	-
D OST Initiatives	-	-	10,000	10,000	-	10,000	-	-
E Knowledge Transfer	-	-	94,770	94,770	770	94,000	-	-
F Science Research Investment Fund	-	-	297,000	297,000	-	297,000	-	-
G Science and Engineering Base Administration Costs	3,352	-	-	3,352	-	3,352	-	-
H Transdepartmental Science and Technology Group administration costs	4,681	-	-	4,681	-	4,681	-	-
I Biotechnology and Biological Sciences Research Council	-	-	-	-	6,710	-6,710	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
J	Research Councils' Pension Schemes							
-	17,143	126	17,269	67	17,202	-	-	
Non-Budget								
K	Arts and Humanities Research Council							
-	-	88,256	88,256	-	88,256	-	-	
L	Biotechnology and Biological Sciences Research Council							
-	-	378,018	378,018	-	378,018	-	-	
M	Economic and Social Research Council							
-	-	140,508	140,508	-	140,508	-	-	
N	Engineering and Physical Sciences Research Council							
-	-	637,134	637,134	-	637,134	-	-	
O	Medical Research Council							
-	-	502,423	502,423	-	502,423	-	-	
P	Natural Environment Research Council							
-	-	366,361	366,361	-	366,361	-	-	
Q	Particle Physics and Astronomy Research Council							
-	-	328,500	328,500	-	328,500	-	-	
R	Council for the Central Laboratory of the Research Councils							
-	-	158,283	158,283	-	158,283	-	-	
S	Council for the Central Laboratory of the Research Councils - Diamond Synchrotron							
-	-	44,818	44,818	-	44,818	-	-	
T	Fees Payable under the Animals (Scientific Procedures) Act 1986							
-	175	-	175	-	175	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
U	Science and Society							
-	-	10,100	10,100	125	9,975	-	-	
Total for Estimate:								
355,813	737,647	9,115,511	10,208,971	3,384,319	6,824,652	13,083,757	11,954,845	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	6,451,993	372,659	6,824,652
Voted capital items			
Capital	12,458,456	625,301	13,083,757
<i>Less:</i> Non-operating A in A	11,954,845	-	11,954,845
Total net voted capital	503,611	625,301	1,128,912
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-31,856	-34,501	-66,357
Depreciation	-35,248	-	-35,248
New provisions and adjustments to previous provisions	-111,504	-139,579	-251,083
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-243	-	-243
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-6,000	-	-6,000
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	1,295,495	-	1,295,495
Total accruals to cash adjustments	1,110,644	-174,080	936,564
Excess cash to be CFERd	-	-	-
Net Cash Requirement	8,066,248	823,880	8,890,128

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	328,848
RfR2	8,033
	<hr/>
Total Net Administration Costs	336,881
Net Programme Costs	
RfR1	3,356,558
RfR2	3,127,072
Non-voted	244,509
	<hr/>
Total Net Programme costs	6,728,139
Total Net Operating Cost	7,065,020
<i>of which:</i>	
Net Resource Requirement	6,824,652
Non-voted expenditure	244,509
Consolidated Fund Extra Receipts	-4,141
Resource Budget	5,296,041

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	6,824,652
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	244,509
Consolidated Fund extra receipts in the OCS	-4,141
Net Operating Costs (Accounts)	7,065,020
<i>Adjustments to remove:</i>	
capital grants	-635,976
European Union income related to capital grants	-
voted expenditure outside the budget	-568
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,200
resource consumption of non departmental public bodies	-1,135,844
unallocated resource provision	7,609
Resource Budget (Budget)	5,296,041
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	5,718,681
Annually Managed Expenditure (AME)	-422,640

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	1,128,912
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-429,999
capital spending by non departmental public bodies	710,866
capital grants	635,976
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	3
Capital Budget (Budget)	2,045,758
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,292,758
Annually Managed Expenditure (AME)	753,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Sir Brian Bender, Permanent Head of the Department

Request for Resources 2 Sir Brian Bender, Permanent Head of the Department

Sir Brian Bender as the Accounting Officer of the Department of Trade and Industry has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department of Trade and Industry.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Increasing UK competitiveness

Administration	18,932
<i>of which:</i>	
Sale of goods and services	18,932
Programme	3,357,715
<i>of which:</i>	
Sale of goods and services	1,511,455
Regulatory licences, fines, penalties and taxes	88,058
EU Income	-
Other grant income (including repayment of grants/subsidies)	1,731,463
Interest and dividends	4,141
CFERs	-4,141
Other income (including receipts)	26,739
Total RfR1	3,376,647 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from the European Union/ECSC and income relating to Regional Selective Assistance, flexible business support measures, the Small Business Service, Business Link Operators, Small Firms Loan Guarantee and other small firm support schemes, receipts from the Department of Environment, Food and Rural Affairs in respect of the Farm Business Advice Service, trade policy, e-commerce, energy and coal, innovation and technology support schemes, sectoral support, receipts from the Office of the Deputy Prime Minister, Department of Environment, Food and Rural Affairs, the Department for Education and Skills, the Department for Culture, Media and Sport and UK Trade and Investment in relation to Regional Development Agencies and the London Development Agency, the exchange risk guarantee scheme, national selective assistance to industry, the Office of Civil Nuclear Security, fees to advisers on privatisation and BNFL, and expenditure in the following areas:

telecommunications, including licence fees, posts, civil aircraft research and demonstration, aerospace, private sector shipbuilding, British Energy, redundant steelworkers, space, consumer and investor protection, employment relations including the promotion of Work-Life Balance, support for the construction industry, privatisation and the sale of shares, petroleum licensing and royalties; legal services, consultancy, publications, secondments, departmental administration costs, central services, European Fast Stream, executive agencies and trading funds, including income relating to Ofcom; receipts from the Postal Services Commission and Office of Gas and Electricity Markets to cover the costs of the relevant Consumer Councils; receipts in connection with the coal subsidence adviser and the coal operating subsidy; the receipt of distributions from coal industry pension schemes other than distribution of surpluses; income relating to the dissolution of British Coal Corporation; income from the Office of the Deputy Prime Minister in respect of the Framework V helpline; miscellaneous receipts from other Government Departments and other income from the Office of Gas and Electricity Markets.

RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society

Programme	7,672
<i>of which:</i>	
Sale of goods and services	895
Other grant income (including repayment of grants/subsidies)	6,710
Pension scheme related income	67
CFERs	-
Total RfR2	7,672 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts for employees' and employers' contributions and transfer values received, and contributions towards the Institute of Animal Health.

Total Operating A in A	3,384,319
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Increasing UK competitiveness

Administration	-
<i>of which:</i>	
Sale of assets	-
Programme	11,954,845
<i>of which:</i>	
Sale of assets	4,291
Loan, etc, repayments	11,950,554
Total RfR1	11,954,845 †
† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: the recovery of income from the sales of fixed assets and from sale of land by the Department and its executive agencies, the repayment of loans	
Total Non - operating A in A	11,954,845

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	102,460	3,157	-447,919	6,166,600	5,718,681
<i>of which:</i>					
<i>Administration budget*</i>	797		336,881	-	336,881
<i>Near-cash in RDEL</i>	45,120	34,024	-699,550	6,071,280	5,371,730
Capital**	-8,710	38,077	-282,271	1,575,029	1,292,758
Less Depreciation†	-	-	-35,248	-109,845	-145,093
Total	93,750	41,234	-765,438	7,631,784	6,866,346

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

£'000
15,339,164

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service		£'000
RfR 1			
H2	Vulnerable Workers Pilot Projects		125

Grants in Aid

RfR/Section	Body		£'000
RfR 1			
H	Advisory, Conciliation and Arbitration Service	♥	43,652
A	British Standards Institution	♥	1,055
B	National Association of Citizen's Advice Bureaux	♥	23,855
B	Citizen's Advice Scotland	♥	3,240
B	National Consumer Council	♥	3,271
Q	Energy Watch	♥	11,300
P	Postwatch	♥	9,487
R	Design Council	♥	6,500
P	Competition Commission and Competition Service	♥	24,759
V	Coal Authority	♥	32,060
S	Regional Development Agencies	♥	1,862,945
V	United Kingdom Atomic Energy Authority	♥	12,596
V	Nuclear Decommissioning Authority	♥	2,854,445
X	Civil Nuclear Police Authority	♥	3,000
	Total		4,892,165
RfR 2			
A	Royal Society	♥	36,359
B	Royal Academy of Engineering	♥	7,885
C	British Academy	♥	16,885
K	Arts and Humanities Research Council	♥	88,256
L	Biotechnology and Biological Sciences Research Council	♥	378,018
M	Economic and Social Research Council	♥	140,508
N	Engineering and Physical Sciences Research Council	♥	637,134
O	Medical Research Council	♥	502,423
P	Natural Environment Research Council	♥	366,361
Q	Particle Physics and Astronomy Research Council	♥	328,500
R	Council for the Central Laboratory of the Research Councils	♥	158,283
S	Council for the Central Laboratory of the Research Councils for Diamond Synchrotron	♥	44,818
	Total		2,705,430
	Overall Total		7,597,595

UK Trade & Investment

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality direct foreign investment

Neutral Changes:

Increase in gross expenditure (Section A2) of £329,000 off-set by increased Appropriations-in-Aid (Section A5) of £328,000, due to take up of UK Trade and Investment chargeable services being higher than forecast in the Main Estimate, leaving token £1,000 to vote	1,000
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Total change in resources	1,000
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2. As a result of a forecast decrease in year-end creditors, which is higher than the original forecast in the Main Estimate, there is an increase in the net cash requirement of £2,000,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	2,000,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the UK Trade & Investment on:

RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment

trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs), associated capital and other related expenditure and associated non-cash items.

UK Trade & Investment will account for this Estimate.

Part II: Changes proposed

						£'000
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Trade development and promotion and inward investment	95,328	329	328	1	95,329
	Total RfR 1		329	328	1	
	Total Changes to RfRs		329	328	1	

		£000		
		Present Provision	Change in Provision	New Provision
Capital and Cash				
	Total Capital Expenditure	248	-	248
	Non-Operating A in A	-	-	-
	Net cash requirement	96,588	2,000	98,588

Part II: Revised subhead detail including additional provision

Resources					Capital		£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality direct foreign investment							
-	75,159	22,000	97,159	1,830	95,329	248	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Trade development and promotion and inward investment							
-	75,159	22,000	97,159	1,830	95,329	248	-
Total for Estimate:							
-	75,159	22,000	97,159	1,830	95,329	248	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	95,328	1	95,329
Voted capital items			
Capital	248	-	248
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	248	-	248
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	79	-	79
Depreciation	-187	-	-187
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	1,120	1,999	3,119
Use of provisions	-	-	-
Total accruals to cash adjustments	1,012	1,999	3,011
Excess cash to be CFERd	-	-	-
Net Cash Requirement	96,588	2,000	98,588

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision'

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	95,329
Total Net Programme costs	95,329
Total Net Operating Cost	95,329
<i>of which:</i>	
Net Resource Requirement	95,329
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	95,329

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	95,329
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Net Operating Costs (Accounts)	95,329
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Resource Budget (Budget)	95,329
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	95,329
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	248
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Capital Budget (Budget)	248
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	248
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Requests for Resources within this Estimate.

Request for Resources 1

Andrew Cahn, Chief Executive of UK Trade & Investment

Andrew Cahn as the Accounting Officer of UK Trade & Investment has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of UK Trade & Investment.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract continuing high level of quality foreign direct investment	
Administration	1,830
<i>of which:</i>	
Sale of goods and services	1,830
Total RfR1	1,830 †
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to the provision of trade development services; asset sales; insurance claims; recovery of costs incurred on behalf of others; recovery of overpayments.	
Total Operating A in A	1,830

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	95,329	-	95,329
<i>of which:</i>					
Administration budget*	-	-	-	-	-
Near-cash in RDEL	-	-	95,221	-	95,221
Capital**	-	-	248	-	248
Less Depreciation†	-	-	-187	-	-187
Total	-	-	95,390	-	95,390

* The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000

1,830

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Department of Trade and Industry: UKAEA pension schemes

Introduction

1. This Supplementary Estimate is required for the following purposes:

Changes in resources

	Amount £
RfR 1: Effective management of UKAEA pension schemes	
Increases:	
Annually Managed Expenditure	
1. Programme costs	
RfR1: subhead B3	20,669,000
Revised forecast for increase in value of liability due to interest on scheme liabilities	
2. Programme costs	
RfR1: subhead B3	9,923,000
Revised forecast for Current Service Cost (increase in present value of scheme liabilities arising from employee service in the current period)	
3. Programme costs	
RfR1: subhead B3	1,889,000
Revised forecast for other expenditure (increase in value of liability arising from group and individual transfers)	
4. Programme costs	
RfR1: subhead B5	10,361,000
Reduced forecast of income from employers' contributions	
Decreases:	
Annually Managed Expenditure	
1. Programme costs	
RfR1: subhead B5	
Increased income related to employees' contributions	-438,000
2. Programme costs	
RfR1: subhead B5	
Increased income related to inward transfers from other pension schemes	-1,889,000
	40,515,000
	40,515,000

2. As a result of the changes above and associated non-cash adjustments, there is an increase in the net cash requirement of £4,387,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Effective management of UKAEA pension schemes	40,515,000
Total additional net resource requirement	40,515,000
Additional net cash requirement	4,387,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department of Trade and Industry: UKAEA Pension Schemes on:

RfR 1: Effective management of UKAEA pension schemes

Payment of pensions etc., to members of the United Kingdom Atomic Energy Authority superannuation schemes and the related expenditure and associated non-cash items

The **Department of Trade and Industry** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Effective management of UKAEA pension schemes					
Spending in Annually Managed Expenditure (AME)					
RfR 1 - B	207,136	32,481	-8,034	40,515	247,651
Total RfR 1		32,481	-8,034	40,515	
Total Changes to RfRs		32,481	-8,034	40,515	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	66,561	4,387	70,948

Part II: Revised subhead detail including additional provision

		Resources					Capital	£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Effective management of UKAEA pension schemes								
-	62	341,020	341,082	93,369	247,713	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Payments of pensions, transfer values and repayments of contributions								
-	62	-	62	-	62	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
B Payments of pensions, transfer values and repayments of contributions								
-	-	341,020	341,020	93,369	247,651	-	-	
Total for Estimate:								
-	62	341,020	341,082	93,369	247,713	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	207,198	40,515	247,713
Voted capital items			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-308,539	-32,481	-341,020
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-62	-	-62
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	167,964	-3,647	164,317
Total accruals to cash adjustments	-140,637	-36,128	-176,765
Excess cash to be CFERd	-	-	-
Net cash requirement	66,561	4,387	70,948

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	-	-	60,720	<i>60,720</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	-	-	60,720	<i>60,720</i>

Forecast Combined Revenue Account

	£'000
	2006-07 provision
Net Programme Costs	
RfR1	247,713
<i>of which:</i>	
Income	
Contributions received	24,077
Transfers in	7,889
Other income receivable	61,403
	<u>93,369</u>
Expenditure	
Increase in liability	107,733
Interest on scheme liability	225,398
Other expenditure	7,951
	<u>341,082</u>
CFERs	<u>-60,720</u>
Total Net Programme costs	186,993
Total Net Operating Cost	186,993
<i>of which:</i>	
Net Resource Requirement	247,713
Non-voted expenditure	-
CFERs	-60,720
Resource Budget	186,993

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	247,713
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-60,720
Other adjustments	-
Net Operating Costs (Accounts)	186,993
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	186,993
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	62
Annually Managed Expenditure (AME)	186,931

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Sir Brian Bender, Permanent Head of the Department

Sir Brian Bender as the Accounting Officer of the Department of Trade and Industry: UKAEA pension schemes personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department of Trade and Industry: UKAEA pension schemes.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisations policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07
	<u>Provision</u>
RfR 1: Effective management of UKAEA pension schemes	
Programme	93,369
<i>of which:</i>	
Pension scheme related income	154,089
CFERs	-60,720
Total RfR 1	93,369 †
† Amount that may be applied as appropriations in aid in addition to the net total, arising from: receipts from employers' and employees' superannuation contributions; transfer values received.	
Total Operating A in A	93,369

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision Income	Receipts
Pensions Contributions under Scape Regulations(Superannuation Contributions adjusted for Past experience) Δ	60,720	60,720
Total	60,720	60,720

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	62	-	62
<i>of which:</i>					
Administration budget*	-	-	-	-	-
Near-cash in RDEL	-	-	-	-	-
Capital**	-	-	-	-	-
Less Depreciation†	-	-	-	-	-
Total	-	-	62	-	62

* The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	93,369

Office of Fair Trading

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Advancing and safeguarding the economic interests of UK consumers

Increases:

Take Up of End Year Flexibility

Administration Costs

£1,900,000 of near- cash to Section A for the Beagle Reorganisation (£900,000), the introduction of "PROMOD" (£700,000), and Website Development (£300,000)

1,900,000

Total change in resources 1,900,000

Changes in capital

Take Up of End Year Flexibility

Capital

£1,300,000 to Section A for introduction of the "PROMOD" IT system (£200,000) and OFT's website development (£1,100,000)

1,300,000

Total change in capital for Estimate 1,300,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £3,200,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Advancing and safeguarding the economic interests of UK consumers	1,900,000
Total additional net resource requirement	1,900,000
Additional net cash requirement	3,200,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Office of Fair Trading on:

RfR 1: Advancing and safeguarding the economic interests of UK consumers

Administrative and operational costs and associated non-cash items.

The **Office of Fair Trading** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Advancing and safeguarding the economic interests of UK consumers					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	75,983	1,900	-	1,900	77,883
Total RfR 1		1,900	-	1,900	
Total Changes to RfRs		1,900	-	1,900	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	1,398	1,300	2,698
Non-Operating A in A	-	-	-
Net cash requirement	74,491	3,200	77,691

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Advancing and safeguarding the economic interests of UK consumers								
75,833	2,050	-	77,883	-	77,883	2,698	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
75,833	2,050	-	77,883	-	77,883	2,698	-	
Total for Estimate:								
75,833	2,050	-	77,883	-	77,883	2,698	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	75,983	1,900	77,883
Voted capital items			
Capital	1,398	1,300	2,698
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	1,398	1,300	2,698
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-303	-	-303
Depreciation	-2,549	-	-2,549
New provisions and adjustments to previous provisions	-133	-	-133
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	95	-	95
Total accruals to cash adjustments	-2,890	-	-2,890
Excess cash to be CFERd	-	-	-
Net Cash Requirement	74,491	3,200	77,691

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	75,833
Total Net Administration Costs	75,833
Net Programme Costs	
RfR1	2,050
Total Net Programme costs	2,050
Total Net Operating Cost	77,883
<i>of which:</i>	
Net Resource Requirement	77,883
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	77,883

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	77,883
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Net Operating Costs (Accounts)	77,883
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Resource Budget (Budget)	77,883
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	77,883
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	2,698
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Capital Budget (Budget)	2,698
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,698
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Requests for Resources within this Estimate.

Request for Resources 1 John Fingleton, CEO of OFT

John Fingleton as the Accounting Officer of the Office of Fair Trading has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Fair Trading.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,900	-	77,883	-	77,883
<i>of which:</i>					
<i>Administration budget*</i>	1,900	-	75,833	-	75,833
<i>Near-cash in RDEL</i>	1,900	-	74,993	-	74,993
Capital**	1,300	-	2,698	-	2,698
Less Depreciation†	-	-	-2,549	-	-2,549
Total	3,200	-	78,032	-	78,032

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Office of Gas and Electricity Markets

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in Resources

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

Increases:

A token increase in administration costs of £1,000 to cover a gross increase of £251,000 offset by a matching increase of £250,000 in Appropriations -in- Aid	1,000
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Total change in resources for RfR1	1,000
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Total change in resources for Estimate	1,000
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2. As a result of the above there is an increase in the net cash requirement of £1,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

1,000

Total additional net resource requirement

1,000

Additional net cash requirement

1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Office of Gas and Electricity Markets on:

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

Administrative and operational costs, payments to DTI, co-operation with international regulators and associated non-cash items.

RfR 2: Expenditure in connection with the Climate Change Levy

The accreditation of renewable energy producers and certification of output under the Finance Act 2000.

The **Office of Gas and Electricity Markets** will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A Gas and Electricity Markets Authority: Administration	2	251	250	1	3
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Total RfR 1

251	250	1
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Total Changes to RfRs

251	250	1
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£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	1,000	-	1,000
Non-Operating A in A	50	-	50
Net cash requirement	7,616	1	7,617

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry								
38,920	210	-	39,130	39,127	3	1,000	50	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Gas and Electricity Markets Authority: Administration								
38,920	210	-	39,130	39,127	3	1,000	50	
RfR 2: Expenditure in connection with the Climate Change Levy								
700	-	-	700	-	700	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Gas and Electricity Markets Authority: Administration								
700	-	-	700	-	700	-	-	
Total for Estimate:								
39,620	210	-	39,830	39,127	703	1,000	50	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	702	1	703
Voted capital items			
Capital	1,000	-	1,000
<i>Less:</i> Non-operating A in A	<u>50</u>	<u>-</u>	<u>50</u>
Total net voted capital	950	-	950
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	255	-	255
Depreciation	-1,000	-	-1,000
New provisions and adjustments to previous provisions	-5	-	-5
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-45	-	-45
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	5,768	-	5,768
Use of provisions	<u>991</u>	<u>-</u>	<u>991</u>
Total accruals to cash adjustments	5,964	-	5,964
Excess cash to be CFERd	-	-	-
Net Cash Requirement	7,616	1	7,617

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	-207
RfR2	700
	<hr/>
Total Net Administration Costs	493
Net Programme Costs	
RfR1	210
RfR2	-
	<hr/>
Total Net Programme costs	210
Total Net Operating Cost	703
<i>of which:</i>	
Net Resource Requirement	703
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	703

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	703
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	703
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	703
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	703
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	950
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	950
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	950
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Alistair Buchanan, Chief Executive of OFGEM

Request for Resources 2 Alistair Buchanan, Chief Executive of OFGEM

Alistair Buchanan as the Accounting Officer of the Office of Gas and Electricity Markets has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Gas and Electricity Markets.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry

Administration	39,127
<i>of which:</i>	
Charges to customers (including rent)	3,401
Licence fees and levies (including payment to energywatch)	35,726

Total RfR1	39,127 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: regulation of monopolies and promoting competition. Includes gas and electricity licence fees; recovery of costs for administering the Fossil Fuel Levy; income from fees and charges levied under the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000; receipts in respect of letting, disposal, vacation or occupation of property or accommodation; income from services to other government organisations and any other cost recovery receipts.

Total Operating A in A	39,127
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Analysis of non - operating appropriations in aid (A in A)

Administration	50
<i>of which:</i>	
Sale of assets	50

Total RfR1	50 †
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† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: the sale of capital assets.

Total Non - operating A in A	50
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	703	-	703
<i>of which:</i>					
<i>Administration budget*</i>	1	-	493	-	493
<i>Near-cash in RDEL</i>	1	-	-92	991	899
Capital**	-	-	950	-	950
Less Depreciation†	-	-	-1,000	-	-1,000
Total	1	-	653	-	653

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
39,177

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Department for Environment, Food and Rural Affairs

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

Increases:

(i)	<u>Take up of DEL administration costs near-cash resource EYF</u>	
	To increase administration resource for Animal Health and Welfare (Section A).	9,000,000
	To increase administration resource for Environment (Section B).	6,600,000
	To increase administration resource for Sustainable Farming Food and Fisheries (Section C).	7,500,000
	To increase administration resource for Natural Resources and Rural Affairs (Section D).	3,000,000
	To increase administration resource for Departmental Operations (Section E).	23,900,000
(ii)	<u>Transfers from Central Funds</u>	
	To increase non-cash other current resource for Rural Payments Agency (Section F) by a claim on the Reserve.	305,000,000
	To increase near-cash other current resource for Natural Resources and Rural Affairs (Section D) by a claim on the Reserve	250,000
(iii)	<u>Transfers from non-voted spending</u>	
	To transfer other current resource from non-voted for Departmental Operations (Section E).	508,000
	To transfer other current resource from non-voted for Environment (Section B).	20,000,000
	To transfer other current resource from non-voted for Sustainable Farming Food and Fisheries (Section C).	5,000,000

Decreases:

(iv)	<u>Transfers to non-voted spending</u>	
	To transfer resource grants to non-voted from Environment (Section H).	-67,000
(v)	<u>Decrease in provision</u>	
	To decrease other current resource and grants for Rural Payments Agency (Sections F and I).	-47,066,000

Neutral Changes:

(vi)	<u>Changes in expenditure offset by Appropriations in Aid</u>	
	To increase administration resource and appropriations in aid for Animal Health and Welfare (Section A) by £250,000, Environment (Section B) by £1,100,000, Sustainable Farming Food and Fisheries (Section C) by £1,600,000, Departmental Operations (Section E) by £25,094,000, Other Executive Agencies (Section G) by £14,022,000.	

To increase other current resource and appropriations in aid for Animal Health and Welfare (Section A) by £18,048,000, Environment (Section B) by £1,780,000, Sustainable Farming Food and Fisheries (Section C) by £2,750,000, Natural Resources and Rural Affairs (Section D) by £3,869,000, Rural Payments Agency (Section F) by £8,675,000.

To decrease other current resource and grants, and appropriations in aid, for Rural Payments Agency (Section N) by £95,112,000.

(vii) Movements between subheads

To transfer £67,000,000 of other current resource from Rural Payments Agency (Section F) to Animal Health and Welfare (Section A).

Total change in resources for RfR1 333,625,000

Total change in resources for Estimate 333,625,000

Changes in capital

Neutral Changes:

(i) Increases in expenditure offset by Appropriations in Aid

To increase capital and non-operating appropriations in aid for Animal Health and Welfare (Section A) by £47,000, Departmental Operations (Section E) by £16,314,000, Rural Payments Agency (Section F) by £9,226,000, Other Executive Agencies (Section G) by £350,000.

(ii) Movements between subheads

To transfer £4,100,000 of capital from Departmental Operations (Section E) to Other Executive Agencies (Section G).

Total change in capital for Estimate -

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,228,625,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.	333,625,000
Total additional net resource requirement	333,625,000
Additional net cash requirement	1,228,625,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

environmental protection; support for measures which improve local environmental quality; pollution emergency response services; flood and coastal protection and land drainage; water partnership supply and sewerage services, including national security; to increase the UK's environment decontamination capabilities involving chemical, biological or radiological materials; support to the environmental protection industry for environmental technology and for measures to promote sustainable development; measures to reduce carbon dioxide emissions and improve energy efficiency, security and environmental practice; botanical services; radon measurement and support of remedial works campaigns; support for agriculture in special areas; food safety and hygiene; support for rural and regional development; assistance to production; marketing and processing in the agriculture, fisheries and food industries; assistance to the residuary Milk Marketing Board; cover for payment arising out of the Factortame group of claims following the House of Lords judgement in October 1999; emergency and strategic food services; plant health; support for the fishing industry; compensation payments to producers; grants and other financial support to voluntary bodies; support for measures to stimulate sustainable consumption of goods and services; countryside management and stewardship; conservation; national parks grants; support of countryside and wildlife initiatives; animal health and welfare; emergency measures, including foot and mouth eradication and compensation schemes; other services including emergency measures in relation to BSE; grant-in-aid to Non-Departmental Public Bodies and subsidy to Public Corporations; subscriptions and contributions to international organisations; surveys, monitoring, statistics, advice and consultancies; publicity, promotion, awareness and publications; commissioned and departmental research and development; specialist support services, management and development of staff, other departmental administration costs, regional restructuring costs; EU receipts; giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and England Rural Development Plan of the European Union including compensation payments to producers and support for agriculture in special areas, management of inland waterways by British Waterways Board; consumer representation and other functions under the Water Act 2003 and associated non-cash costs.

The Department for Environment, Food and Rural Affairs will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Animal Health and Welfare	275,690	94,298	18,298	76,000	351,690
RfR 1 - B	Environment	942,987	29,480	2,880	26,600	969,587
RfR 1 - C	Sustainable Farming Food and Fisheries	130,221	16,850	4,350	12,500	142,721
RfR 1 - D	Natural Resources and Rural Affairs	352,383	7,119	3,869	3,250	355,633
RfR 1 - E	Departmental Operations	219,599	49,502	25,094	24,408	244,007
RfR 1 - F	Rural Payments Agency	2,822,349	201,206	8,675	192,531	3,014,880
RfR 1 - G	Other Executive Agencies	50,601	14,022	14,022	-	50,601
RfR 1 - H	Environment	241,242	-67	-	-67	241,175
RfR 1 - I	Rural Payments Agency	7,730	-1,597	-	-1,597	6,133

Non-Budget

RfR 1 - N	Rural Payments Agency	-	-95,112	-95,112	-	-
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Total RfR 1		315,701	-17,924	333,625
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Total Changes to RfRs		315,701	-17,924	333,625
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£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	130,931	25,937	156,868
Non-Operating A in A	14,457	25,937	40,394
Net cash requirement	6,014,691	1,228,625	7,243,316

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.							
584,700	5,319,211	1,756,554	7,660,465	1,304,873	6,355,592	156,868	40,394
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Animal Health and Welfare							
36,237	306,699	27,136	370,072	18,382	351,690	47	47
B Environment							
41,937	519,890	413,249	975,076	5,489	969,587	640	-
C Sustainable Farming Food and Fisheries							
43,200	98,182	8,187	149,569	6,848	142,721	-	-
D Natural Resources and Rural Affairs							
26,310	261,375	75,814	363,499	7,866	355,633	-	-
E Departmental Operations							
231,571	50,955	5,220	287,746	43,739	244,007	80,094	30,771
F Rural Payments Agency							
-	3,023,080	475	3,023,555	8,675	3,014,880	38,997	9,226
G Other Executive Agencies							
205,445	51,873	-	257,318	206,717	50,601	37,090	350
<i>Support for Local Authorities</i>							
H Environment							
-	-	241,175	241,175	-	241,175	-	-
I Rural Payments Agency							
-	-	6,133	6,133	-	6,133	-	-
Non-Budget							
J Environment							
-	-	691,655	691,655	-	691,655	-	-
K Sustainable Farming Food and Fisheries							
-	-	9,377	9,377	-	9,377	-	-
L Natural Resources and Rural Affairs							
-	-	197,634	197,634	-	197,634	-	-
M Departmental Operations							
-	-	24,899	24,899	-	24,899	-	-
N Rural Payments Agency							
-	969,157	-	969,157	969,157	-	-	-
O Other Executive Agencies							
-	38,000	-	38,000	38,000	-	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
P Environment	-	-	55,600	55,600	-	55,600	-	-
Total for Estimate:								
584,700	5,319,211	1,756,554	7,660,465	1,304,873	6,355,592	156,868	40,394	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	6,021,967	333,625	6,355,592
Voted capital items			
Capital	130,931	25,937	156,868
<i>Less: Non-operating A in A</i>	<i>14,457</i>	<i>25,937</i>	<i>40,394</i>
Total net voted capital	116,474	-	116,474
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-25,379	-	-25,379
Depreciation	-42,771	-	-42,771
New provisions and adjustments to previous provisions	-122,646	-305,000	-427,646
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	1,200,000	1,200,000
Use of provisions	67,046	-	67,046
Total accruals to cash adjustments	-123,750	895,000	771,250
Excess cash to be CFERd	-	-	-
Net Cash Requirement	6,014,691	1,228,625	7,243,316

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	2,534,819	<i>3,993,730</i>	2,487,753	<i>3,946,664</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	2,534,819	<i>3,993,730</i>	2,487,753	<i>3,946,664</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR 1	<u>335,458</u>
Total Net Administration Costs	335,458
Net Programme Costs	
RfR 1	<u>3,532,381</u>
Total Net Programme costs	3,532,381
Total Net Operating Cost	3,867,839
<i>of which:</i>	
Net Resource Requirement	6,355,592
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-2,487,753
Resource Budget	3,306,990

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	6,355,592
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-2,487,753
Net Operating Costs (Accounts)	3,867,839
<i>Adjustments to remove:</i>	
capital grants	-553,685
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	22,205
resource consumption of non departmental public bodies	-67,189
unallocated resource provision	-
Other adjustments	37,820
Resource Budget (Budget)	3,306,990
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	3,194,683
Annually Managed Expenditure (AME)	112,307

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	116,474
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	226,000
capital grants	553,685
European Union income related to capital grants	-
supported capital expenditure (revenue)	67
capital spending by levy funded bodies	846
unallocated capital provision	-
Capital Budget (Budget)	897,072
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	896,226
Annually Managed Expenditure (AME)	846

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resources within this Estimate.

Request for Resources 1 Helen Ghosh, Accounting Officer and Permanent Head of Department

Helen Ghosh as the Accounting Officer of the Department for Environment, Food and Rural Affairs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Environment, Food and Rural Affairs.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

Administration	249,242
<i>of which:</i>	
Sale of goods and services	249,242
Programme	1,055,631
<i>of which:</i>	
Sale of goods and services	34,273
Regulatory licences, fines, penalties and taxes	22,205
EU Income	3,484,890
Other grant income (including repayment of grants/subsidies)	-
Interest and dividends	2,000
CFERs	-2,487,753
Other income (including receipts)	16
Total RfR1	1,304,873 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: eligible expenditure on farm grants, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessels, EC Leader Programme and Sector Challenge Grants. Receipts resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccine relating to Brucellosis and Tuberculosis eradication, Receipts from fees and charges on Local Veterinary Inspectors' work, public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the Minister. Receipts in respect of the tide gauge network, work carried out by the Veterinary Laboratories Agency and NIAB Redundancy Fund. Recovery of shellfish enquiry expenses. Income from the provision of services to internal and external customers, including the secondment of staff and services to IBEA. Statutory receipts. Receipts from the sale or use of rights and assets. Rents from property. Receipts from the sale of information, including publications. Income from levies, licensing approvals, certification, inspections, registrations, supervision and extensification. Reimbursement of Defra expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credits. Receipts in respect of environment protection and research (ex-DETR). Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income from transfers, bulletins and for receipts for CAP market support and from European Community Institutions.

Total Operating A in A	1,304,873
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Analysis of non - operating appropriations in aid (A in A)

Programme	40,394
<i>of which:</i>	
Sale of assets	40,394
Total RfR1	40,394 †

† Amount that may be applied as non-operating appropriations in aid arising from the disposal of capital assets.

Total Non - operating A in A	40,394
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2006-07 provision	
	Income	Receipts
Rural Payments Agency EU income	2,487,753	3,946,664
Total	2,487,753	3,946,664
	2,487,753	3,946,664

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	333,692	55,206	4,801,242	-1,606,559	3,194,683
<i>of which:</i>					
Administration budget*	50,000	-	335,458	-	335,458
Near-cash in RDEL	28,692	17,386	4,361,046	-1,804,407	2,556,639
Capital**	-67	67	691,659	204,567	896,226
Less Depreciation†	-	-	-42,771	-162,311	-205,082
Total	333,625	55,273	5,450,130	-1,564,303	3,885,827

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
1,345,267

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR 1		
A - D	Payments for Committees and Tribunals	58
	Funding to establish the Association of Commons Registration Officers	50

Notes to the Estimate (*continued*)

Grants in Aid

RfR/Section	Body		£'000
RfR 1			
L	Natural England	♥	183,669
L	Commission for Rural Communities	♥	9,965
J	Environment Agency	♥	685,167
K	Food from Britain	♥	6,077
M	Royal Botanic Gardens, Kew	♥	24,899
L	National Forest Company	♠	4,000
K	Gangmasters Licensing Authority	♥	3,300
J	Consumer Council for Water	♥	6,488

Water Services Regulation Authority

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Regulation of the Water Industry

Increases:

Annually Managed Expenditure Forecast

Interest on pension scheme liabilities (AME) in new Section B (£240,000) offset by cost of capital credit (-£83,000) on pension liability	157,000
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Total change in resources	157,000
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Changes in capital

Take up of End Year Flexibility (EYF)

Take up of capital EYF representing an investment in planned replacement of computer equipment deferred from 2005-06	155,000
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Total change in capital for Estimate	155,000
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2. As a result of the above and non-cash adjustments there is no change to the net cash requirement of £ 828,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR 1: Regulation of the Water Industry	157,000
Total additional net resource requirement	157,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Water Services Regulation Authority on:

RfR 1: Regulation of the Water Industry

Administrative and operational costs and the provision of customer representation and associated non-cash items.

The Water Services Regulation Authority will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Regulation of the Water Industry					
Annually Managed Expenditure (AME)					
RfR 1 - B Interest on pension scheme liabilities	-	157	-	157	157
Total RfR 1		157	-	157	
Total Changes to RfRs		157	-	157	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	561	155	716
Non-Operating A in A	-	-	-
Net cash requirement	828	-	828

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Regulation of the Water Industry								
12,400	-83	240	12,557	12,398	159	716	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Water Services Regulation Authority								
12,400	-		12,400	12,398	2	716	-	
Annually Managed Expenditure (AME)								
B Interest on pension scheme liabilities								
-	-83	240	157	-	157	-	-	
Total for Estimate:								
12,400	-83	240	12,557	12,398	159	716	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	2	157	159
Voted capital items			
Capital	561	155	716
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	561	155	716
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	45	-	45
Depreciation	-341	-	-341
New provisions and adjustments to previous provisions	-100	-22	-122
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-32	-	-32
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	353	-314	39
Use of provisions	340	24	364
Total accruals to cash adjustments	265	-312	-47
Excess cash to be CFERd	-	-	-
Net Cash Requirement	828	-	828

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	<u>2</u>
Total Net Administration Costs	2
Net Programme Costs	
RfR1	<u>157</u>
Total Net Programme costs	157
Total Net Operating Cost	159
<i>of which:</i>	
Net Resource Requirement	159
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	159

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	159
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	159
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	159
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2
Annually Managed Expenditure (AME)	157

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	716
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	716
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	716
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Regina Finn, Chief Executive
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Regina Finn as the Accounting Officer of the Water Services Regulation Authority has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Water Services Regulation Authority.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Regulation of the Water Industry	
Administration	12,398
<i>of which:</i>	
Sale of goods and services	-
Regulatory licences, fines, penalties and taxes	12,398
Total RfR1	12,398 †
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the receipt of licence fees and income relating to the provision of support services to the Consumer Council for Water	
Total Operating A in A	12,398

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	2	-	2	-	2
<i>of which:</i>					
<i>Administration budget*</i>	-	-	1	-	1
<i>Near-cash in RDEL</i>	-	-	-47	60	13
Capital**	155	-	716	-	716
Less Depreciation†	-	-	-341	-	-341
Total	157	-	377	-	377

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
12,398

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Department for Culture, Media and Sport

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Improving the quality of life through cultural and sporting activities

Increases:

1. **Take up of near-cash End Year Flexibility**

Programme Costs

Subhead Q3: Increase in Grant-in-Aid provision for English Heritage to fund non -voted Resource DEL	7,800,000
Subhead U3: Increase in Grant-in-Aid provision for the Gambling Commission to fund non -voted Resource DEL	1,000,000

2. **Increase in Grant-in-Aid**

Increase in Grant-in-Aid provision for the Olympic Delivery Authority to fund non- voted Capital DEL, funded in budgetary terms by a transfer from the Department for Communities and Local Government	12,249,000
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3. **Transfer into Grant-in-Aid from non- voted Capital DUP**

Increase Grant-in-Aid provision (U3) to fund non -voted Capital DEL as a result of the setting up costs of the Gambling Commission funded from Departmental Unallocated Provision	1,000,000
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4. **Transfer into Grant-in-Aid from Capital in the Estimate**

Increase Grant-in-Aid provision (Q3) to fund non -voted Capital DEL as a result of the misallocation of EYF at the Winter Supplementary Estimate (D7)	55,000
Increase Grant-in-Aid provision (U3) to fund non -voted Capital DEL as a result of the setting up costs of the Gambling commission funded from F7	560,000

5. **New AME cost**

Subhead X2: New line in AME to cover transfer of pension costs from PLR pension fund to PCSPS.	219,000
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Decreases:

6 **Decreases in Grant-in-Aid**

Reduction in Grant-in-Aid provision for Sport (P3) and non -voted Resource DEL, to fund in budgetary terms a transfer to the Ministry of Defence for the Meteorological Office	-3,080,000
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7. Transfers into Capital from GiA and associated non voted Capital funding

i	To C7 from P3 (and associated non- voted Capital DEL) for Childrens Playground funding	-2,000,000
ii	To C7 from P3 (and associated non -voted Capital DEL) for Wembly Building costs	-5,430,000
iii	To A7 from N3 (and associated non -voted Capital DEL) for Admin Capital costs	-1,662,000
iv	To W7 from N3 (and associated non-voted Capital DEL) for Culture Online	-3,475,000
v	To B7 from O3 rescoring of ISB funding	-220,000
vi	To D7 from Q3 rescoring of ISB funding	-37,000

Neutral Changes:**8. Increased spending offset by income**

- i. £20,000
D2 and D5 increased receipts from DCLG allowing increased spending on Engaging Places project
- ii. £50,000
C2 and C5 increased receipts from DfES allowing increased spending
- iii. £81,000
G2 and G5 increased receipts allowing increased spending on Tourism
- iv. £35,000
I1 and I5 increase in Administration costs offset by an increase in administration receipts from dilapidations
- v. £190,000
I1 and I5 increase in Administration costs offset by an increase in administration receipts following a rate rebate
- vi. £200,000
I1 and I5 increase in Administration costs offset by an increase in administration receipts following early release of lease

9. Transfers within the RfR

- i. £4,854,000 from N3 to P3 to fund Capital spending in Sport
- ii. £2,500,000 from N3 to S3 to fund Capital expenditure by the BFI
- iii. £2,236,000 from P3 to O3 to fund Capital expenditure by the Arts Council
- iv. £2,200,000 from O3 to R3 to fund Resource expenditure by Visit Britain
- v. £1,573,000 from P3 to N3 to fund increased Capital spending by the National Gallery
- vi. £1,570,000 from P3 to S3 to meet increased funding requirement by the BFI
- vii. £1,209,000 from O3 to B2 rescoring of ISB funding
- viii. £1,000,000 from Q3 to P3 to meet UK Sport funding pressures
- ix. £980,000 from P3 to N3 to the Museums sector

- x £609,000 from L3 to I2 for research
- xii £513,000 from Q3 to N3 to fund increased Capital spending by the National Portrait Gallery
- xiii £420,000 from L3 to K2 for set up costs of the Gambling Appeals Tribunal
- xiv £362,000 from N3 to A2 rescoring of ISB funding
- xv £333,000 from C3 to P3 for Sporting Champions mentoring scheme administered by Sport England
- xvi £333,000 from C3 to B2 for Sporting Champions Mentoring scheme administered by Youth Music
- xvii £265,000 from O3 to M3 rescoring of ISB funding
- xviii £142,000 from Q3 to D3 rescoring of ISB funding
- xix £150,000 from O3 to C2 to correctly record Dancelinks programme funding
- xx £120,000 from P3 to M3 to cover shortfall in funding for RCC's
- xxi £115,000 from O3 to B2 for "Take it Away" pilot run by Art co.

Total change in resources for RfR1 6,979,000

Total change in resources for Estimate 6,979,000

Changes in capital

Increases:

1. Transfers into Capital from Resource in the Estimate

- i To C7 from P3 (and associated non-voted Capital DEL) for Childrens Playground funding 2,000,000
- ii To C7 from P3 (and associated non-voted Capital DEL) for Wembley Building costs 5,430,000
- iii To A7 from N3 (and associated non-voted Capital DEL) for Admin Capital costs 1,662,000
- iv To W7 from N3 (and associated non-voted Capital DEL) for Culture Online 3,475,000
- v To B7 from O3 rescoring of ISB funding 220,000
- vi To D7 from Q3 rescoring of ISB funding 37,000

Decreases:

2. Transfer into Grant-in-Aid from Capital in the Estimate

- i Increase Grant-in-Aid provision (Q3) to fund non voted capital DEL as a result of the misallocation of EYF at the Winter Supplementary Estimate (D7) -55,000
- ii Increase Grant-in-Aid provision (U3) to fund non voted capital DEL as a result of the setting up costs of the Gambling Commission funded from F7 -560,000

Neutral Changes:3. **Increased spending offset by income**

£60,000

D7 and D8 increased spend following the increased receipts from the Sale of 21 Park Street

£1,000,000

A7 and A8 increased spend following the increase receipts from the sale of a capitalised lease

4 **Transfers within the RfR**

£20,000 from F7 to I7 to fund Administration Capital expenditure

Total change in capital for Estimate 12,209,000

2 As a result of these changes there is an increase in the net cash requirement of £19,188,000

3 Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Improving the quality of life through cultural and sporting activities	6,979,000
Total additional net resource requirement	6,979,000
Additional net cash requirement	19,188,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Culture, Media and Sport on:

RfR 1: Improving the quality of life through cultural and sporting activities

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services; to the Arts and Sports Councils and for other arts and sports bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; Listed Places of Worship scheme; promotion of tourism; support to film bodies and projects; sponsorship of the music industry; the Welsh Fourth Channel Authority, the Office of Communications and certain broadcasting services and schemes; alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support delivery of the Olympic Games 2012; transfer of pension values of certain bodies; expenses of Privatising the Tote and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting

Payments to the British Broadcasting Corporation for home broadcasting; and associated non-cash items.

The Department for Culture, Media and Sport will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Improving the quality of life through cultural and sporting activities					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Museums, galleries and libraries	499	362	-	362	861
RfR 1 - B Arts	1,273	1,657	-	1,657	2,930
RfR 1 - C Sport	6,121	-466	50	-516	5,605
RfR 1 - D Architecture and the Historic Environment	9,162	162	20	142	9,304
RfR 1 - G Tourism	1,963	81	81	-	1,963
RfR 1 - I Administration, Research and other surveys	55,872	1,034	425	609	56,481
RfR 1 - K Gambling, licensing and horseracing	-2,381	420	-	420	-1,961
RfR 1 - L Olympics	3,600	-1,029	-	-1,029	2,571
Non-budget					
RfR 1 - M Regional Cultural Consortiums	1,600	386	-	386	1,986
RfR 1 - N Museums, galleries and libraries	524,697	-12,085	-	-12,085	512,612
RfR 1 - O Arts	429,821	-1,924	-	-1,924	427,897
RfR 1 - P Sport	190,149	-12,544	-	-12,544	177,605
RfR 1 - Q Architecture and the Historic Environment	169,683	6,163	-	6,163	175,846
RfR 1 - R Gambling, licensing and horseracing	53,495	2,200	-	2,200	55,695
RfR 1 - S Broadcasting and media	27,010	4,070	-	4,070	31,080
RfR 1 - U Gambling, licensing and horseracing	12,178	6,600	-	6,600	18,778
RfR 1 - V London 2012	101,300	12,249	-	12,249	113,549
Spending in Annually Managed Expenditure (AME)					
RfR1-X Transfer of Pension Costs	-	219	-	219	219
Total RfR 1		7,555	576	6,979	
Total Changes to RfRs		7,555	576	6,979	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	10,427	13,269	23,696
Non-Operating A in A	572	1,060	1,632
Net cash requirement	4,476,219	19,188	4,495,407

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Improving the quality of life through cultural and sporting activities								
54,905	138,773	1,557,155	1,750,833	28,972	1,721,861	23,696	1,632	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Museums, galleries and libraries								
-	400	461	861	-	861	1,000	1,000	
B Arts								
-	1,723	1,209	2,932	2	2,930	420	-	
C Sport								
-	1,440	4,215	5,655	50	5,605	7,430	-	
D Architecture and the Historic Environment								
-	2,372	7,072	9,444	140	9,304	794	532	
E Listed places of worship scheme								
-	5,250	10,000	15,250	-	15,250	-	-	
F The Royal Parks								
-	29,492	-	29,492	10,000	19,492	600	100	
G Tourism								
-	144	1,900	2,044	81	1,963	-	-	
H Broadcasting and media								
-	93,422	863	94,285	280	94,005	-	-	
I Administration, Research and other surveys								
54,905	3,891	-	58,796	2,315	56,481	9,977	-	
J National Lottery Commission								
-	-	-	-	10,287	-10,287	-	-	
K Gambling, licensing and horseracing								
-	420	-	420	2,381	-1,961	-	-	
L Olympics								
-	-	6,007	6,007	3,436	2,571	-	-	
<i>Queen's Golden Jubilee</i>								
-	-	-	-	-	-	-	-	
<i>Culture Online</i>								
-	-	-	-	-	-	-	-	
Non-budget								
M Regional Cultural Consortiums								
-	-	1,986	1,986	-	1,986	-	-	
N Museums, galleries and libraries								
-	-	512,612	512,612	-	512,612	-	-	
O Arts								
-	-	427,897	427,897	-	427,897	-	-	
P Sport								
-	-	177,605	177,605	-	177,605	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Q	Architecture and the Historic Environment							
-	-	175,846	175,846	-	175,846	-	-	
R	Tourism							
-	-	55,695	55,695	-	55,695	-	-	
S	Broadcasting and media							
-	-	31,080	31,080	-	31,080	-	-	
T	National Lottery Commission							
-	-	10,380	10,380	-	10,380	-	-	
U	Gambling, licensing and horseracing							
-	-	18,778	18,778	-	18,778	-	-	
V	London 2012							
-	-	113,549	113,549	-	113,549	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
W	Culture Online							
-	-	-	-	-	-	3,475	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
X	Transfer of Pension Costs							
-	219	-	219	-	219	-	-	
RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting								
-	-	2,760,000	2,760,000	-	2,760,000	-	-	
Non-budget								
A	Home broadcasting							
-	-	2,760,000	2,760,000	-	2,760,000	-	-	
Total for Estimate:								
54,905	138,773	4,317,155	4,510,833	28,972	4,481,861	23,696	1,632	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	4,474,882	6,979	4,481,861
Voted capital items			
Capital	10,427	13,269	23,696
<i>Less:</i> Non-operating A in A	<u>572</u>	<u>1,060</u>	<u>1,632</u>
Total net voted capital	9,855	12,209	22,064
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,580	-	-2,580
Depreciation	-5,942	-	-5,942
New provisions and adjustments to previous provisions	4	-	4
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-8,518	-	-8,518
Excess cash to be CFERd	-	-	-
Net Cash Requirement	4,476,219	19,188	4,495,407

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	53,270
RfR2	-
Total Net Administration Costs	53,270
Net Programme Costs	
RfR1	1,668,591
RfR2	-160
Total Net Programme costs	1,668,431
Total Net Operating Cost	1,721,701
<i>of which:</i>	
Net Resource Requirement	4,481,861
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-2,760,160
Resource Budget	5,064,889

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	4,481,861
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-2,760,160
Net Operating Costs (Accounts)	1,721,701
<i>Adjustments to remove:</i>	
capital grants	-16,695
European Union income related to capital grants	-
voted expenditure outside the budget	-2,760,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,760,160
resource consumption of non departmental public bodies	2,591,169
unallocated resource provision	10,554
Other adjustments	758,000
Resource Budget (Budget)	5,064,889
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,584,670
Annually Managed Expenditure (AME)	3,480,219

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	22,064
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	425,073
capital grants	16,695
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	962,000
Capital Budget (Budget)	1,425,832
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	379,832
Annually Managed Expenditure (AME)	1,046,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Jonathan Stephens, Permanent Head of the Department

Request for Resources 2 Jonathan Stephens, Permanent Head of the Department

Jonathan Stephens as the Accounting Officer of the Department for Culture, Media and Sport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Culture, Media and Sport.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Improving the quality of life through cultural and sporting activities	
Administration	1,635
<i>of which:</i>	
Sale of goods and services	1,635
Programme	27,337
<i>of which:</i>	
Sale of goods and services	27,337
Total RfR1	28,972 †

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs for repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; proceeds from the early release of office leases; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; recovery of costs and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012.

Total Operating A in A	28,972
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Improving the quality of life through cultural and sporting activities

Programme	1,632
<i>of which:</i>	
Sale of Buildings	632
Sale of capitalised leasehold	1,000
Total RfR1	1,632 †

† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sale of buildings and capitalised leases.

Total Non-operating A in A	1,632
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,560	34,914	179,519	1,405,151	1,584,670
<i>of which:</i>					
<i>Administration budget*</i>	-	-	53,270	-	53,270
<i>Near-cash in RDEL</i>	1,560	34,914	171,001	1,230,060	1,401,061
Capital**	12,294	10,001	38,759	341,073	379,832
Less Depreciation†	-	-	-5,942	-91,788	-97,730
Total	13,854	44,915	212,336	1,654,436	1,866,772

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
28,968

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR 1		
C3	Chess	60
D3	Chatham Historic Dockyard Trust	300
I2	China-UK Connections	100
N3	Geffrye Museum	1,687
N3	Horinman Museum and Gardens	3,932
N3	Museum of Science and Industry in Manchester	4,134
N3	Museums, Libraries and Archives Council	15,271
O3	Arts Council of England	429,821
S3	UK Film Council	24,110

Department for Work and Pensions

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Increases:

Transfers from Non-Voted Spending

1	Administration Section A Transfer from non-voted Unallocated Provision to support expenditure on CSA Operational Improvement Plan.	37,500,000
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Other Increases

1	Administration Section A Transfer from RfR5 following devolvement of budgets for accommodation costs.	21,493,000
2	Other Current Section A Transfer from RfR5 of Efficiency Challenge Funding in respect of the CSA.	4,396,000
3	Administration Section A Redistribution from RfR5 of IS/IT costs.	2,241,000
4	Administration Section A Transfer from RfR3 to support expenditure on CSA Operational Improvement Plan.	27,000,000

Decreases:

Other Decreases

1	Administration Section A Transfer to RfR5 in respect of HR Directorate L&D for delivery of Professionalism in Security, Training for Trainers and Generic Training.	-156,000
2	Administration Section A Transfer to RfR5 in respect of funding for centralised HR customer support service.	-54,000

Neutral Changes:Changes in spending offset by changes in income

1	Administration Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £ 2,337,000.	-
Total change in resources for RfR1		92,420,000

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need**Increases:**Take up of End Year Flexibility

1	Administration Section A Additional funding to support expenditure on Jobcentre Plus Change Programme.	200,000,000
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Transfers from Non-Voted Spending

1	Grants Section K A draw down from the Housing Benefit Reform Fund in respect of expenditure in Housing Benefit Grants.	6,500,000
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Other Increases

1	Administration Section A Transfer from RfR5 following devolvement of budgets for accommodation costs.	437,428,000
2	Administration Section A Transfer from RfR4 in respect of move of Medical Appeal Tribunal work from Disability and Carers Service to Jobcentre Plus.	873,000
3	Administration Section A Transfer from RfR5 in respect of redistribution of Pre-Budget Report 2005 funding to promote financial inclusion.	4,200,000
4	Other Current Section A Transfer from RfR5 in respect of redistribution of Pre-Budget Report 2005 funding to promote financial inclusion.	10,800,000
5	Other Current Section A A redistribution across RfRs of the receipt due from the National Insurance Fund.	157,885,000
6	Other Current Section A Transfer from RfR5 of Efficiency Challenge funding in respect of Jobcentre Plus, the Rent Service and Work, Welfare and Equality Group.	32,118,000

7	Administration Section A Additional funding per the Pre-Budget Report 2006 in respect of In Work Credit.	151,000
8	Other Current Section A Additional funding per the Pre-Budget Report 2006 in respect of In Work Credit.	9,849,000
9	Annually Managed Expenditure Section O Revised forecast of expenditure on Severe Disablement Allowance.	60,000,000
10	Annually Managed Expenditure Section Q Revised forecast of expenditure on Income Support.	1,310,000,000
11	Annually Managed Expenditure Section R Revised forecast of expenditure on Jobseekers Allowance (Income Based).	120,000,000
12	Annually Managed Expenditure Section W Revised forecast of expenditure on Housing Benefit and Council Tax Benefit subsidies.	160,000,000
13	Annually Managed Expenditure Section X Revised forecast of expenditure on Rent Rebates.	240,000,000
14	Administration Section A Transfer from RfR5 in respect of Enhanced Failover Application Development.	403,000
15	Administration Section A Redistribution from RfR5 of IS/IT costs - Jobcentre Plus.	338,776,000
16	Administration Section F Redistribution from RfR5 of IS/IT costs - The Rent Service.	2,129,000
17	Non Budget Section AA Increase in Grant in Aid to NEP Limited.	2,285,000
18	Non Budget Section Z Revised forecast of expenditure on Statutory Sick Pay and Statutory Maternity Pay.	30,066,000

Decreases:Transfers to Other Government Departments

1	Annually Managed Expenditure Section Q Transfer to the Home Office in respect of the Refugee Integration Loan Scheme.	-833,000
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Other Decreases

1	Administration Section A Transfer to RfR5 in respect of the National Employment Panel's move of premises.	-45,000
2	Grants Section B Transfer to RfR4 in respect of Motability administration.	-1,000,000
3	Administration Section A Transfer to RfR5 in respect of additional IS/IT costs in Work, Welfare and Equality Group.	-122,000
4	Administration Section A Transfer to RfR5 in respect of Labour Market Data Warehouse.	-41,000
5	Administration Section A Transfer to RfR5 in respect of the Corporate Integration Backbone.	-274,000
6	Other Current Section A Revised expenditure forecast for Work Welfare and Equality Group offset by an increase in the non-voted spend of the Disability Rights Commission.	-264,000
7	Grants Section B Reduction in spend of National Employment Panel offset by an increase in non-voted spend by NEP Limited.	-2,285,000

Neutral Changes:Movement of provision between sections within RfR2

1	Grants Section J and K Movement in respect of consolidation of Housing Benefit counter-fraud funding into Administration subsidy of £ 109,000,000.
2	Grants Section K and B Transfer from Employment Programmes to Housing Benefit Administration of £ 50,000,000.
3	Administration Section C and A Transfer from Administration to Health and Safety Executive of £ 3,936,000.
4	Other Current Section C and B Transfer from Employment Programmes to Health and Safety Executive of £ 6,712,000.

Changes in spending offset by changes in income

- 1 Grants
Section G
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grant expenditure in respect of the European Globalisation Fund £ 1,000.
- 2 Administration
Section A
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administration expenditure £ 127,000.
- 3 Other Current
Section A
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure £ 2,203,000.
- 4 Grants
Section A
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grant expenditure £ 3,659,000.
- 5 Other Current
Section B
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure £ 330,000.
- 6 Administration
Section C
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure £ 6,063,000.
- 7 Other Current
Section C
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure £ 147,000.
- 8 Administration
Section D
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure £ 412,000.
- 9 Other Current
Section D
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure £ 99,000.
- 10 Grants
Section G
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grant expenditure £ 51,361,000.
- 11 Grants
Section H
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grant expenditure £ 37,831,000.

- 12 Grants
Section M
An increase in forecast Appropriations in Aid leading to an equivalent increase in Grant expenditure £ 80,160,000.
- 13 Grants
Section N
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grant expenditure £ 36,852,000.

Total change in resources for RfR2 **3,118,599,000**

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Increases:

Other Increases

- | | | |
|---|---|-------------|
| 1 | Administration
Section A
Transfer from RfR5 following devolvement of budgets for accommodation costs. | 30,328,000 |
| 2 | Other Current
Section A
A redistribution across RfRs of the receipt due from the National Insurance Fund. | 120,868,000 |
| 3 | Other Current
Section A
Transfer from RfR5 of Efficiency Challenge funding in respect of The Pension Service. | 4,944,000 |
| 4 | Administration
Section A
Redistribution from RfR5 of IS/IT costs. | 63,383,000 |
| 5 | Other Current
Section A
Revised Appropriations in Aid forecast for The Pensions Advisory Service offset by a decrease in non-voted spend. | 73,000 |
| 6 | Other Current
Section A
Revised forecast for The Pensions Ombudsman offset by a decrease in non-voted spend. | 708,000 |
| 7 | Other Current
Section A
Revised Appropriations in Aid forecast for The Pensions Regulator offset by a decrease in non-voted spend. | 1,911,000 |
| 8 | Non Budget
Section F
Revised expenditure forecast for Centre for Policy on Ageing Grant in Aid. | 75,000 |

Decreases:Other Decreases

1	Administration Section A Transfer to RfR5 in respect of funding for Corporate Customer Affairs from Pensions Client Directorate to Strategy Directorate.	-1,015,000
2	Administration Section A Transfer to RfR5 in respect of funding for centralised HR customer support service.	-36,000
3	Administration Section A Transfer to RfR5 in respect of decommissioning of the Integrated Communications Network Service.	-2,379,000
4	Administration Section A Transfer to RfR1 to support expenditure on CSA Operational Improvement Plan.	-27,000,000
5	Non Budget Section F Revised expenditure forecast for The Pensions Advisory Service Grant in Aid.	-53,000
6	Non Budget Section F Revised expenditure forecast for The Pensions Regulator Grant in Aid.	-21,000
7	Non Budget Section F Revised expenditure forecast for The Pensions Ombudsman Grant in Aid.	-708,000

Transfers to Non-Voted Spending

1	Other Current Section A Decrease in respect of expenditure for Centre for Policy on Ageing Grant in Aid offset by an increase in non-voted expenditure.	-75,000
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Neutral Changes:Changes in spending offset by changes in income

1	Other Current Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £ 2,005,000.
2	Administration Section A An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £ 3,163,000.

Total change in resources for RfR3 191,003,000

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive**Increases:**Other Increases

1	Administration Section A Transfer from RfR5 following devolvement of budgets for accommodation costs.	25,037,000
2	Grants Section B Transfer from RfR2 in respect of Motability administration.	1,000,000
3	Other Current Section A Transfer from RfR5 of Efficiency Challenge funding in respect of the Disability and Carers Service.	989,000
4	Annually Managed Expenditure Section C Revised forecast of expenditure on Attendance Allowance.	60,000,000
5	Annually Managed Expenditure Section D Revised forecast of expenditure on Disability Living Allowance.	70,000,000
6	Administration Section A Transfer from RfR5 in respect of Mobile Telephony budget.	21,000
7	Administration Section A Redistribution from RfR5 of IS/IT costs.	31,245,000

Decreases:Other Decreases

1	Administration Section A Transfer to RfR2 in respect of move of Medical Appeal Tribunal work from Disability and Carers Service to Jobcentre Plus.	-873,000
2	Administration Section A Transfer to RfR5 in respect of funding for centralised HR customer support service.	-42,000

Neutral Changes:Changes in spending offset by changes in income

1	Annually Managed Expenditure Section G An increase in forecast Appropriations in Aid for Motability Special Vehicle Fund leading to an equivalent decrease in Annually Managed Expenditure of £ 600,000.	
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- 2 Other Current
Section A
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £ 102,000.
- 3 Administration
Section A
A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administration expenditure of £ 127,000.

Total change in resources for RfR4 **187,377,000**

RfR 5: Corporate contracts and support services

Increases:

Take up of End Year Flexibility

- 1 Administration 25,000,000
Section A
Additional funding to cover non-cash costs.

Transfers from Other Government Departments

- 1 Administration 314,000
Section A
An increase in planned spend following the transfer of staff from the Government Actuary's Department to the Department for Work and Pensions. The increased voted spend is offset by a transfer of non-voted funding from HM Revenue and Customs.

Other Increases

- 1 Administration 156,000
Section A
Transfer from RfR1 in respect of HR Directorate L&D for delivery of Professionalism in Security, Training for Trainers and Generic Training.
- 2 Administration 1,015,000
Section A
Transfer from RfR3 in respect of funding for Corporate Customer Affairs from Pensions Client Directorate to Strategy Directorate.
- 3 Administration 45,000
Section A
Transfer from RfR2 in respect of the National Employment Panel's move of premises.
- 4 Administration 132,000
Section A
Transfer from RfR1, RfR3 and RfR4 in respect of funding for centralised HR customer support service.
- 5 Administration 122,000
Section A
Transfer from RfR2 in respect of excess Desktop anticipated business volumes in Work, Welfare and Equality Group.
- 6 Administration 41,000
Section A
Transfer from RfR2 in respect of Labour Market Data Warehouse.

7	Administration Section A Transfer from RfR2 in respect of the Corporate Integration Backbone.	274,000
8	Administration Section A Transfer from RfR3 in respect of decommissioning of the Integrated Communications Network Service.	2,379,000

Decreases:Other Decreases

1	Administration Section A Transfer to RfR2 in respect of redistribution of Pre-Budget Report 2005 funding to promote financial inclusion.	-4,200,000
2	Administration Section A Transfer to RfR1, RfR2, RfR3 and RfR4 following devolvement of budgets for accommodation costs.	-514,286,000
3	Other Current Section A Transfer to RfR2 in respect of redistribution of Pre-Budget Report 2005 funding to promote financial inclusion.	-10,800,000
4	Other Current Section A A redistribution across RfRs of the receipt from the National Insurance Fund.	-278,753,000
5	Other Current Section A Transfer from RfR5 to RfR1, RfR2, RfR3 and RfR4 of Efficiency Challenge Funding.	-42,447,000
6	Administration Section A Transfer to RfR2 in respect of Enhanced Failover Application Development.	-403,000
7	Administration Section A Transfer to RfR4 in respect of Mobile Telephony budget.	-21,000
8	Administration Section A Redistribution from RfR5 to RfR1, 2, 3 and 4 of IS/IT costs.	-437,774,000
9	Other Current Section A An increase in the amount due from the National Insurance Fund leading to an increase in Appropriations in Aid offset by an equivalent increase in non-voted DEL.	-314,000

Neutral Changes:Changes in spending offset by changes in income

- | | | |
|---|--|--|
| 1 | Administration
Section A
An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure of £ 649,000. | |
| 2 | Other Current
Section A
An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure of £ 416,000. | |

Total change in resources for RfR5 -1,259,520,000

Changes in capital**RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need****Increase**Take up of End Year Flexibility

- | | | |
|---|---|------------|
| 1 | Capital
Section A
Additional funding to support expenditure on Jobcentre Plus Change Programme. | 43,000,000 |
|---|---|------------|

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners**Decrease**Transfers to Non-Voted Spending

- | | | |
|---|---|----------|
| 1 | Capital
Section A
A decrease in Capital expenditure for The Pensions Regulator offset by an increase in non-voted DEL. | -550,000 |
| 2 | Capital
Section A
A decrease in Capital expenditure for The Pensions Advisory Service offset by an increase in non-voted DEL. | -20,000 |

Total change in capital for Estimate 42,430,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £2,299,395,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	†	92,420,000
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	†	3,118,599,000
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	†	191,003,000
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	†	187,377,000
RfR 5: Corporate contracts and support services	†	-1,259,520,000
Total additional net resource requirement		2,329,879,000
Additional net cash requirement		2,299,395,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Department for Work and Pensions on:

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

The administration of the child support system; and associated non-cash items.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

The administration costs and benefit payments of Severe Disablement Allowance; pensions gratuities and sundry allowances for disablement and specified deaths arising from industrial causes; Income Support for the under 60's; Jobseeker's Allowance (contribution-based); Jobseeker's Allowance (income based); Analogous Industrial Injuries Scheme; earnings top up pilot; job grant; back to work bonus; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; the provision of training and assessment programmes for adults; the promotion of enterprise and the encouragement of self employment; help for unemployed people and disability rights. Administration costs of payments and loans made from the Social Fund. Measures to help people, particularly those on welfare and at a disadvantage in the labour market, into work; National Employment Panel; the administration of, and where appropriate the payment of allowances to people participating in, the Welfare to Work programme, the Job Transition service and other employment programmes, pilot programmes and new measures to help people into work; temporary subsidies to employers; grants to voluntary bodies and local authorities towards the provision of supported employment; a Grant in Aid to National Employment Panel Ltd; a Grant in Aid and the provision of a temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity and associated non-cash items. Development of the Employment Support Allowance. Subsidies to housing, billing, levying and local authorities towards the costs incurred in administering the Housing Benefit and/or Council Tax Benefit schemes; rent rebate; rent allowance; Council Tax Benefit; payments in respect of anti-fraud and similar administrative measures; discretionary housing sums payable for incentive payments in respect of Housing Benefit under occupation schemes; sums payable to third party providers of services to local authorities; compensation for sufferers, or their dependants, of certain dust related diseases; The Rent Service Agency; the Health and Safety Commission (HSC); the Health and Safety Executive (HSE); the Health and Safety Laboratory (HSL); grants to further health and safety in the workplace; the administration costs of the Work, Welfare and Equality Client Group; payments for education; training and employment projects assisted by the European Union and refunds to the European Union; the UK subscription to the International Labour Organisation; other international educational programmes; payments in respect of Local Area Agreements; measures to promote financial inclusion and associated non-cash items.

Part I (*continued*)

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's

The administration costs and benefit payments of non-contributory retirement pensions; Christmas Bonus payments to pensioners; Age-related payments; One-off 70+ payment to Pensioners; Income Support for the elderly; Pension Credit; payments made to the BBC in respect of over 75s free TV licence scheme; expenditure to assist people make plans for their retirement; research into pensions; Private Pensions Industry regulatory work; costs associated with the collapse of private pension schemes; Grant in Aid for the administration costs of Better Government for Older People; expenditure in respect of the Pensions Regulator; the Financial Assistance Scheme; Grant in Aid to the Centre for Policy on Ageing; Grant in Aid to the Pensions Advisory Service; Grant in Aid to the Pension Protection Fund; Grant in Aid to the Pensions Regulator; Grant in Aid to the Office of the Pensions Ombudsman; Grant in Aid to the Pension Protection Fund Ombudsman; payment of the General Levy to the Pensions Regulator in respect of Public Sector Pension Schemes; sums payable to fund payments and loans made by the Social Fund; the administration costs of payments and loans made from the Social Fund; the administration of pilot programmes; programmes and new measures to help improve independence and social inclusion of older people; the administration costs of working age and pension age benefits to customers abroad; the administration costs of Housing Benefit, Council Tax Benefit, Attendance Allowance and Disability Living Allowance to Pensioners; grants to voluntary bodies and local authorities towards provision for the needs of older people and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

The administration costs and benefit payments of Attendance Allowance; Disability Living Allowance; Carer's Allowance; Vaccine Damage; Grants in Aid to the Disability Rights Commission; Motability, Independent Living Fund and associated non-cash items.

RfR 5: Corporate contracts and support services

Corporate administration; measures to promote financial inclusion; collecting debt on behalf of other public sector bodies and private sector bodies; and associated non-cash items.

The Department for Work and Pensions will account for this Estimate.

† The reduction in the net resource requirement for RfR5 of £1,259,520,000 is offset by a reallocation of those resources as follows:

- 1) increase in RfR1 of £27,920,000
- 2) increase in RfR2 of £958,130,000
- 3) increase in RfR3 of £216,093,000
- 4) increase in RfR4 of £57,377,000

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	407,912	94,757	2,337	92,420	500,332
Total RfR 1		94,757	2,337	92,420	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Administration	1,820,948	1,035,651	-152,150	1,187,801	3,008,749
RfR 2 - B Employment Programmes	983,701	-59,667	330	-59,997	923,704
RfR 2 - C Health and Safety Executive	227,164	16,858	6,210	10,648	237,812
RfR 2 - D Health and Safety Laboratory	-	511	511	-	-
RfR 2 - F The Rent Service Executive Agency	38,102	2,129	-	2,129	40,231
RfR 2 - G European Social Fund and European Globalisation Fund	-	51,362	51,362	-	-
RfR 2 - H European Social Fund payments in advance of receipts	32,700	37,831	37,831	-	32,700
<i>Support for Local Authorities</i>					
RfR 2 - J Challenge funding and similar administrative measures - Local Authorities	109,000	-109,000	-	-109,000	-
RfR 2 - K Housing benefit and council tax benefit administration grants	404,203	165,500	-	165,500	569,703
RfR 2 - M European Social Fund	-	80,160	80,160	-	-
RfR 2 - N European Social Fund payments in advance of receipts	-	-36,852	-36,852	-	-
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 2 - O Severe Disablement Allowance	872,451	60,000	-	60,000	932,451
RfR 2 - Q Income support (under 60 years of age)	8,043,262	1,309,167	-	1,309,167	9,352,429
RfR 2 - R Jobseeker's allowance (income based)	1,931,047	120,000	-	120,000	2,051,047
<i>Support for Local Authorities</i>					
RfR 2 - W Housing benefit and council tax benefit subsidies	12,854,986	160,000	-	160,000	13,014,986
RfR 2 - X Rent rebates	5,124,658	240,000	-	240,000	5,364,658
Non-budget					
RfR 2 - Z Statutory benefits (SSP and SMP)	1,351,150	30,066	-	30,066	1,381,216

Part II: Changes proposed (continued)

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 2 - AA Working Age (Grants in Aid)	-	2,285	-	2,285	2,285
Total RfR 2		3,106,001	-12,598	3,118,599	
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 3 - A Administration	132,491	74,026	-117,684	191,710	324,201
Non-budget					
RfR 3 - F Pensions Grants in Aid	29,702	-707	-	-707	28,995
Total RfR 3		73,319	-117,684	191,003	
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 4 - A Administration	218,261	56,352	-25	56,377	274,638
RfR 4 - B Motability administration	1,800	1,000	-	1,000	2,800
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 4 - C Attendance Allowance	4,121,144	60,000	-	60,000	4,181,144
RfR 4 - D Disability Living Allowance	9,113,647	70,000	-	70,000	9,183,647
RfR 4 - G Grants to independent bodies	261,988	600	600	-	261,988
Total RfR 4		187,952	575	187,377	
RfR 5: Corporate contracts and support services					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 5 - A Administration	2,095,162	-979,388	280,132	-1,259,520	835,642
Total RfR 5		-979,388	280,132	-1,259,520	
Total Changes to RfRs		2,482,641	152,762	2,329,879	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	167,724	42,430	210,154
Non-Operating A in A	3,876	-	3,876
Net cash requirement	63,785,126	2,299,395	66,084,521

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years							
498,471	4,396	-	502,867	2,535	500,332	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
498,471	4,396	-	502,867	2,535	500,332	-	-
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need							
3,644,423	1,221,492	34,970,307	39,836,222	1,941,155	37,895,067	107,384	495
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
3,352,372	129,601	50,151	3,532,124	523,375	3,008,749	96,005	-
B Employment Programmes							
-	793,679	130,355	924,034	330	923,704	-	-
C Health and Safety Executive							
225,190	65,584	-	290,774	52,962	237,812	8,906	475
D Health and Safety Laboratory							
30,830	5,129	-	35,959	35,959	-	1,800	20
E Capital Grants							
-	2,549	5,927	8,476	-	8,476	-	-
F The Rent Service Executive Agency							
36,031	4,200	-	40,231	-	40,231	673	-
G European Social Fund and European Globalisation Fund							
-	-	130,082	130,082	130,082	-	-	-
H European Social Fund payments in advance of receipts							
-	32,700	417,891	450,591	417,891	32,700	-	-
<i>Support for Local Authorities</i>							
I Employment Programmes							
-	-	37,047	37,047	-	37,047	-	-
J Challenge funding and similar administrative measures - Local Authorities							
-	-	-	-	-	-	-	-
K Housing benefit and council tax benefit administration grants							
-	-	569,703	569,703	-	569,703	-	-
L Capital grants to Local Authorities							
-	-	2,895	2,895	-	2,895	-	-
M European Social Fund							
-	-	90,000	90,000	90,000	-	-	-
N European Social Fund payments in advance of receipts							
-	-	32,028	32,028	32,028	-	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
O Severe Disablement Allowance							
-	745	932,472	933,217	766	932,451	-	-
P Industrial injury benefits							
-	42,468	784,370	826,838	36,494	790,344	-	-
Q Income support (under 60 years of age)							
-	141,240	9,312,243	9,453,483	101,054	9,352,429	-	-
R Jobseeker's allowance (income based)							
-	320	2,051,164	2,051,484	437	2,051,047	-	-
S Jobseeker's allowance (contribution based)							
-	-	519,777	519,777	519,777	-	-	-
T Job Grant							
-	-	35,627	35,627	-	35,627	-	-
U Employment Allowances							
-	-	85,430	85,430	-	85,430	-	-
V Housing and Council tax benefit capital charge							
-	3,277	-	3,277	-	3,277	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
Support for Local Authorities							
W	Housing benefit and council tax benefit subsidies	13,014,986	13,014,986	-	13,014,986	-	-
X	Rent rebates	5,364,658	5,364,658	-	5,364,658	-	-
Y	Discretionary housing payments	20,000	20,000	-	20,000	-	-
Non-budget							
Z	Statutory benefits (SSP and SMP)	1,381,216	1,381,216	-	1,381,216	-	-
AA	Working Age (Grants in Aid)	2,285	2,285	-	2,285	-	-
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners							
	707,996	14,181	10,891,969	11,614,146	415,073	11,199,073	46,348
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Administration	16,435	739,274	415,073	324,201	46,348	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
B	Pension benefits	764,563	764,558	-	764,558	-	-
C	Income support for the elderly and Pension Credit	7,106,436	7,105,779	-	7,105,779	-	-
D	TV licences for the over 75s	482,125	482,125	-	482,125	-	-
Non-budget							
E	Payments to the Social Fund	2,493,415	2,493,415	-	2,493,415	-	-
F	Pensions Grants in Aid	28,995	28,995	-	28,995	-	-
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society							
	274,990	36,002	14,864,864	15,175,856	33,975	15,141,881	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Administration	1,091	276,081	1,443	274,638	-	-
B	Motability administration	2,800	2,960	160	2,800	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
C	Attendance Allowance	4,182,071	4,184,775	3,631	4,181,144	-	-
D	Disability Living Allowance	9,182,241	9,211,788	28,141	9,183,647	-	-
E	Carer's Allowance	1,215,750	1,215,750	-	1,215,750	-	-
F	Vaccine Damage Payments	500	500	-	500	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
G	Grants to independent bodies							
-	2,500	260,088	262,588	600	261,988	-	-	
Non-budget								
H	Disability Rights Commission (Grant in Aid)							
-	-	21,414	21,414	-	21,414	-	-	
RfR 5: Corporate contracts and support services								
	1,050,803	95,594	-	1,146,397	310,755	835,642	56,422	3,381
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration							
1,050,803	95,594	-	1,146,397	310,755	835,642	56,422	3,381	
Total for Estimate:								
6,176,683	1,371,665	60,727,140	68,275,488	2,703,493	65,571,995	210,154	3,876	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	63,242,116	2,329,879	65,571,995
Voted capital items			
Capital	167,724	42,430	210,154
<i>Less:</i> Non-operating A in A	3,876	-	3,876
Total net voted capital	163,848	42,430	206,278
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-57,359	2,086	-55,273
Depreciation	-154,667	-75,000	-229,667
New provisions and adjustments to previous provisions	-730,777	-	-730,777
Profit/loss on sale of assets	1,325	-	1,325
Prior period adjustments	-	-	-
Other non-cash items	-1,086	-	-1,086
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	842,356	-	842,356
Increase(-)/decrease (+) in creditors	418,883	-	418,883
Use of provisions	60,487	-	60,487
Total accruals to cash adjustments	379,162	-72,914	306,248
Excess cash to be CFERd	-	-	-
Net Cash Requirement	63,785,126	2,299,395	66,084,521

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	495,936
RfR2	3,557,808
RfR3	703,140
RfR4	274,449
RfR5	1,019,956
Total Net Administration Costs	6,051,289
Net Programme Costs	
RfR1	4,396
RfR2	32,956,043
RfR3	8,002,518
RfR4	14,867,432
RfR5	-184,314
Non-voted	67,235,307
Total Net Programme costs	122,881,382
Total Net Operating Cost	128,932,671
<i>of which:</i>	
Net Resource Requirement	65,571,995
Non-voted expenditure	67,235,307
Consolidated Fund Extra Receipts	-
Resource Budget	128,940,469

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	65,571,995
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	67,235,307
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-3,874,631
Net Operating Costs (Accounts)	128,932,671
<i>Adjustments to remove:</i>	
capital grants	-14,632
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-20
unallocated resource provision	22,450
Other adjustments	-
Resource Budget (Budget)	128,940,469
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,992,779
Annually Managed Expenditure (AME)	120,947,690

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	206,278
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	1,325
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	720
capital grants	14,632
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	207,377
Capital Budget (Budget)	430,332
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	222,955
Annually Managed Expenditure (AME)	207,377

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Leigh Lewis, Permanent Head of the Department
Request for Resources 2	Leigh Lewis, Permanent Head of the Department
Request for Resources 3	Leigh Lewis, Permanent Head of the Department
Request for Resources 4	Leigh Lewis, Permanent Head of the Department
Request for Resources 5	Leigh Lewis, Permanent Head of the Department

Leigh Lewis as the Accounting Officer of the Department for Work and Pensions has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Department for Work and Pensions.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Administration	2,535
<i>of which:</i>	
Sale of goods and services	2,535
Total RfR1	2,535 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Support Agency and receipts from the repayment of maintenance by non-resident parents, where the parent with care is in receipt of income support, reduced by the child maintenance premium paid directly to the parent with care.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Administration	86,615
<i>of which:</i>	
Sale of goods and services	86,615
Programme	1,854,540
<i>of which:</i>	
Sale of goods and services	969,204
EU income	670,001
CFERs	-
other income (including receipts)	215,335
Total RfR2	1,941,155 †

† Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from staff for private telephone calls; receipts from mortgage lenders; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from EU twinning funded projects; receipts from match funded projects; the recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; proceeds from crime from Home Office in respect of benefit fraud and organised fraud; contribution from Scotland and Wales

towards Employment Zones; receipts from Local Authorities for services provided to them by Departmental Action Teams, including Neighbourhood Renewal Funds, rent and similar receipts; receipts from outside bodies in respect of partnership working in New Deal for Community areas; recovery from Home Office of the costs of administering the refugee and Asylum Seeker programmes; recovery from the EC of the costs of work on European Employment Services (EURES) and work undertaken on labour market issues in eastern Europe;

receipts from the EU for travel expenses, and subsistence allowances incurred by staff on European Union business; receipts from sponsors of supported placements in the ES; receipts in respect of vending machines; receipts from Working Links, Working Links management fee and dividend; receipts from selling services under the Wider Markets Initiative; receipts from partner organisations in respect of action teams; receipts in respect of LSC ambitions programme; the recovery of excess payments made on Jobcentre Plus employment measures; recoveries from authorities not achieving baseline targets set in respect of anti-fraud measures;

recoveries from authorities not achieving targets set in respect of extended payments; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments by liable relatives; amounts collected through a court order or on a voluntary basis from relatives of income support claimants; receipts from the Child Support Agency of payments of maintenance from absent parents for parents with care who are in receipt of Income Support;

repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund; receipts in respect of the Health and Safety Commission (HSC) including fees and charges levied by the HSC, receipts for research, administrative services, testing, fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars, patent rights, conferences and publications (in print and non-print media) provided by the HSC; payments from other government departments, agencies, non-departmental public bodies and overseas governments to the HSC; sales of land and buildings, water, stores, plant, equipment, machinery and vehicles of the HSC;

recoveries of seconded staff salaries of the HSC; receipts for the use of HSC accommodation, rental income, receipts from HSC property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out by HSC; recoveries by the HSC from the European Union in respect of travelling expenses and subsistence allowances incurred by HSC staff on European Union business; contributions and recoveries from the European Union of costs of HSC research and projects, legal claims of the HSC, including awards of court costs and out of court settlements; refunds of advance of salaries of HSC staff, and repayment of loans

made by the HSC; receipts in respect of the European Fast Stream; receipts from the EC to meet payments to Local Authorities and non-exchequer bodies for education and training and employment projects training assisted by the European Social Fund; receipts from the EU Twinning funded projects; Joint International Unit administration receipts; payments from the Department for Education and Skills; Presidency receipts from the EU; Refunds from Local Authorities of Performance Standard Funding; National Employment Panel receipts.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Administration	4,856
<i>of which:</i>	
Sale of goods and services	4,856
Programme	410,217
<i>of which:</i>	
Sale of goods and services	410,217

Total RfR3	415,073 †
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† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering NI benefits, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts for levy funded bodies; receipts from mortgage lenders; receipts from staff for private telephone calls and receipts via Compensation Recovery Unit in respect of benefits paid in lieu.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Administration	541
<i>of which:</i>	
Sale of goods and services	541
Programme	33,434
<i>of which:</i>	
Sale of goods and services	-3,362
Other income (including receipts)	36,796

Total RfR4	33,975 †
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† Amount that may be applied as appropriations in aid in addition to the net total arising from services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from the European Union for the European year for disabled people 2003; receipts from staff for private telephone calls; receipts via Compensation Recovery Unit in respect of benefits paid in lieu, recoveries of payments from the Department of Social Development (Northern Ireland) towards Motability's car adaptation and administration costs and receipts from Tenth Anniversary Trust towards Motability's car adaptation costs.

RfR 5: Corporate contracts and support services

Administration	30,847
<i>of which:</i>	
Sale of goods and services	30,847
Programme	279,908
<i>of which:</i>	
Sale of goods and services	279,893
Interest and dividends	15

Total RfR5	310,755 †
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† Amount that may be applied as appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering NI benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from other departments/organisations in respect of outward secondments; receipts from third parties for uninsured losses; receipts from staff for private telephone calls; recovery of law costs from defendant's; receipts from sub-let accommodation; receipts from sale of non-capital items; receipts from the Department for Education and Skills in respect of Modern Apprenticeships; receipts from other departments/organisations in respect of the European Fast Stream; receipts from IT services to other government departments; Early Departures prefunding interest.

Total Operating A in A	2,703,493
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Analysis of non - operating appropriations in aid (A in A)
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Programme	495
<i>of which:</i>	
Sale of assets	495

Total RfR2	495 †
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† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

RfR 5: Corporate contracts and support services

Administration	1,325
<i>of which:</i>	
Sale of assets	1,325
Programme	2,056
<i>of which:</i>	
Sale of assets	2,056

Total RfR5	3,381 †
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† Amount that may be applied as non-operating appropriations in aid arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and fittings.

Total Non-Operating A in A	3,876
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	278,595	-43,754	6,784,298	1,208,481	7,992,779
<i>of which:</i>					
<i>Administration budget*</i>	262,965	-37,500	6,051,289	1,310	6,052,599
<i>Near-cash in RDEL</i>	205,681	-42,414	6,497,384	1,247,269	7,744,653
Capital**	42,903	570	222,235	720	222,955
Less Depreciation†	-75,000	1,340	-229,667	-1,212	-230,879
Total	246,498	-41,844	6,776,866	1,207,989	7,984,855

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	2,707,369

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR3	Better Government for Older People	600

Notes to the Estimate (*continued*)**Grants in Aid**

RfR/Section	Body	£ '000
RfR2	NEP Limited	2,285
RfR 3	The Pensions Regulator	25,780
RfR 3	The Pensions Advisory Service	2,540
RfR 4	Motability	8,587
RfR 4	Disability Rights Commission	21,414
		<hr/>
		60,606

Notes to the Estimate (*continued*)

Contingent Liabilities

As at 31 March 2006, the following liabilities fell to be met from the Department's Estimate:

Non-Statutory

£'000

Child Support Agency Debt

The Agency operates a discretionary scheme for certain qualifying cases whereby a lump sum payment of arrears is made to a parent with care before that money is collected by the Agency from the non-resident parent. Entitlement to such a payment is neither automatic nor referred to in legislation. At 31 March 2006 a number of cases existed which may subsequently qualify under this scheme, giving rise to a potential liability. The amount of this liability is dependant on a number of factors, the outcome of which for each case is unable to be determined. For this reason no provision has been made in the accounts. Any future potential liability is mitigated by the fact that this scheme can be withdrawn without notice.

Unquantifiable

Remploy Limited

The Secretary of State for Work and Pensions has given formal guarantee in respect of Remploy Limited, an Executive Non-Departmental Public Body. In the event of Remploy Limited becoming insolvent, the Secretary of State has agreed to pay Remploy Limited a sum equal to any and all of its remaining debts i.e. the excess of its liabilities over and above the proceeds from realisation of its assets. In addition to this guarantee over Remploy's net liabilities the Department also guarantees to cover any shortfall in its pension provision.

Unquantifiable

Better Government for Older People (BGOP)

This is an initiative which is funded by several consortium partners with the Department providing the largest proportion of funds by way of Grant-in-Aid. Since BGOP has no legal identity, the usual 'Financial Memorandum' is replaced by a 'Consortium Agreement' that has Treasury approval. In addition to the funding which the Department provides, we have also agreed to indemnify Help the Aged, the host organisation, against any losses arising from BGOP activity to the sum of £1 million in any one year and, as the 'Consortium Agreement' year runs from October to September, £2 million in totality.

2,000

ESF Repayments

The Department has a potential liability in respect of ineligible claims for ESF programmes that operated during 1994-99. The Department estimates that it is highly likely that we will be unable to claim from the European Commission £14.4million already paid to contractors and this amount has been provided for within these accounts. The Department is negotiating a final settlement with the European Commission and there is the potential that a further liability could arise, however this figure cannot be estimated with any certainty at this time.

Unquantifiable

Employment Tribunals

HSE is currently defending two equal-pay cases. In October 2003, HSE successfully appealed at an Employment Appeal Tribunal against an Employment Tribunal decision handed down in July 2002. That appeal was subject to cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice (ECJ). There was an oral hearing in front of the ECJ in March 2006 and the Advocate General's opinion was received in May 2006. This opinion will be used to assist the ECJ in reaching a decision. The decision of the ECJ is not expected until the end of the year.

Unquantifiable

Vaccine Damage Payments

Important changes to the Vaccine Damage Payments Scheme have been introduced. The level of disablement that is defined as severe has been reduced from 80% to 60 % and the period of time during which a claim can be made has been extended.

Unquantifiable

These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. All of the 389 claims received by this deadline were rejected. As they carry appeal rights there is no time limit for requesting a Vaccine Damage Appeal and it can be 10 years or more before they decide to go ahead. It is not currently possible to estimate the value or success of these claims and so no provision has been made in these accounts.

Deficiency Notices

Deficiency notices were not sent out for the tax years 1996-97 to 2001-02. Her Majesty's Revenue and Customs (formerly Inland Revenue) has contacted customers of working age. Between September 2004 and September 2005, The Pension Service contacted 414,427 pensioner customers affected by the suspension of deficiency notices. Customers who reached State Pension age between 6 April 1998 and 24 October 2004 (inclusive) were invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State pension or qualify for one for the first time.

11,000

As at March 2006, State Pension arrears of £76.2 million had been paid out in relation to the pensioner exercise, plus interest of £3.0 million. The administrative cost of the project to this date has been £31.3 million.

The estimated further cost of State Pension arrears to be paid during the remainder of the exercise is £8.5 million plus interest of £0.6 million, with a further administrative cost estimated at around £1.9 million, contingent upon contact from customers.

The Rent Service

There are a number of legal claims against The Rent Service, the outcome of which cannot at present be stated with certainty. None of these claims have been settled. A cost of £55,000 has been estimated based on previous experience of similar claims. A cost of £40,000 has also been estimated for three pending Employment Tribunal cases.

95

Health & Safety Laboratories

Claims have been received by HSL and a main contractor engaged by HSL, alleging that injuries were incurred by an employee of a subcontractor engaged by the main contractor to work on HSL's site at Buxton. The matter is currently the subject of a criminal investigation, and HSL is awaiting further information to enable it to assess its position with regard to any potential liability.

Unquantifiable

Northern Ireland Office

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Increases:

Budget transfers from other Government Departments

Administration (RfR1:Subhead A1, Central Administration) 650,000
Increases for Security Vetting (£410,000) and Stormont Castle rent (£240,000) funded by budget transfer from the Northern Ireland Department of Finance and Personnel.

Other Current (RfR1: Subhead C2, Political Directorate) 2,702,000
Increase for Political Directorate funded by budget transfer from the Northern Ireland Executive(NIE)

Administration (RfR1:Subhead H1, Policing and Security) 215,000
Increase for OSNI mapping agreement funded by budget transfer from the Northern Ireland Department of Culture,Arts and Learning(DCAL)

Other Current (RfR1: Subhead K2, Youth Justice Agency) 170,000
Increase for Renewing Communities Project funding from Northern Ireland Department of Social Development(DSD)

Take-up of DUP

Take up of administration costs Departmental Unallocated Provision to fund increased running costs (RfR 1 : Subhead A1, Central Administration) 5,000,000

Take-up of EYF

Take up End Year Flexibility totalling £58,538,000 of which £36,900,000 is near cash and £21,638,000 is non-cash. Of the take up £11,627,000 is administration costs and £46,911,000 is other resource.

An increase of £8,931,000 administration (RfR 1 Subhead A1, Central Administration) due to increased running costs and reallocation of easements identified in other subheads. 8,931,000

An increase of £88,000 administration (RfR 1 Subhead C1, Political) mainly due to increased running costs of the Inquiries and offset by various easements throughout the Directorate. 88,000

An increase of £385,000 administration (RfR 1 Subhead B1 Ministers) mainly due to increased travel costs. 385,000

An increase of £185,000 administration (RfR 1 Subhead F1 Criminal Justice) due to increased running costs in the Causeway Programme offset by various easements throughout the Directorate.	185,000
An increase of £438,000 administration (RfR 1 Subhead G1, Compensation Agency) due to increased staffing and additional running costs.	438,000
An increase of £8,915,000 other current (RfR 1 Subhead A2 Central Administration due to increased running costs and reallocation of easements identified in other subheads.	8,915,000
An increase of £4,087,000 other current (RfR 1 Subhead C2, Political Directorate) mainly due to increased baseline requirements for the Cory Inquiries.	4,087,000
An increase of £200,000 grants (RfR 1 Subhead Q3, NI Human Rights Commission) non voted EYF for legal casework and building works to be completed.	200,000
An increase of £1,958,000 other current (RfR 1 Subhead L2, Bloody Sunday Inquiry) due to increased programme and legal costs.	1,958,000
An increase of £3,004,000 other current (RfR 1 Subhead F2, Criminal Justice) due to increased costs in community safety, state pathology and other programme costs.	3,004,000
An increase of £1,283,000 grants (RfR 1 Subhead P3 Probation Board for Northern Ireland) non voted EYF due to increased staffing costs and computerisation costs.	1,283,000
An increase of £170,000 grants (RfR 1 Subhead R3, NI Policing Board) non voted EYF to cover additional running costs.	170,000
An increase of £1,020,000 grants (RfR 1 Subhead M3, Police) non voted EYF to top up resource requirements for Community Policing, Historical Enquiries Team and Patten Severance leavers.	1,020,000
An increase of £3,095,000 other current (RfR 1 Subhead D2, Public Prosecution Service) mainly due to fit out costs of new accommodation and to meet pressure on external counsel fees.	3,095,000
An increase of £631,000 other current (RfR 1 Subhead J2, NI Prison Service) mainly due to increased overtime for prison officers.	631,000
An increase of £64,000 grants (RfR 1 Subhead G3, Compensation Agency) due to meet additional in year compensation claims without provision.	64,000
An increase of £2,446,000 other current (RfR 1 Subhead K2, Youth Justice Agency) due to increased staffing costs and roll out of the Youth Conferencing Service.	2,446,000
Non-cash (voted)	
An increase of £1,025,000 administration (RfR 1 Subhead A1, Central Administration) to cover diminution of IT equipment and increased cost of capital offset by easements identified in other subheads.	1,025,000
An increase of £284,000 administration (RfR 1 Subhead A1, Compensation Agency) due to non-cash requirement for the flax programme and unbudgeted notional costs.	284,000
An increase of £291,000 administration (RfR 1 Subhead E1, Forensic Science Northern Ireland) mainly due to an increased non-cash requirement in modernisation of assets.	291,000
An increase of £5,000 other current (RfR 1 Subhead F2, Criminal Justice) to cover increased depreciation and cost of capital estimate.	5,000

An increase of £3,650,000 other current (RfR 1 Subhead J2, NI Prison Service) due to impairment of Prison Service land and buildings after revaluation.	3,650,000
An increase of £8,650,000 grants (RfR 1 Subhead G3 Compensation Agency) due to an increase in provision requirement mainly due to criminal damage.	8,650,000
An increase of £7,733,000 other current (RfR 1 Subhead K2, Youth Justice Agency) mainly due to the revaluation of the Juvenile Justice Centre.C112	7,733,000

Increase in non-budget cash grants

An increase of £14,921,000 grants (RfR 1 Subhead M3, Police) mainly due to the utilisation of an existing FTR provision.	14,921,000
An increase of £476,000 grants (RfR 1 Subhead O3, Police Ombudsman for Northern Ireland) to fund an additional capital resource for a document handling system.	476,000
An increase of £265,000 grants (RfR 1 Subhead P3, Probation Board for Northern Ireland) to fund an additional capital resource for IT systems and additional building works.	265,000

Decreases:Budget transfers to other Government Departments

Other Current (RfR1: Subhead F2, Criminal Justice) Decrease in provision to reflect transfers of budgetary cover to Northern Ireland Departments relating to Belfast Regeneration Office(BRO) funding (-£184,000) - Development of Social Development(DSD), and a transfer for ESNSG research budget (-£25,000) - Office of the First Minister and Deputy First Minister (OFMDFM)	-209,000
Other Current(RfR1: Subhead H2, Policing and Security) Decrease in provision to reflect transfers of budgetary cover to the Northern Ireland Department of Enterprise Trade and Investment DETI relating to Health and Safety Executive(NI) staffing	-21,000
Grants (RfR1 :Subhead M3, Police) Decrease in provision for non budget grants to reflect transfer of budgetary cover to Northern Ireland Departments relating to decriminalised parking (-£885,000) Northern Ireland Executive (NIE) and Ordnance Survey NI for mapping agreement (- £75,000) Department for Culture,Arts and Learning (DCAL).	-960,000

Decrease in non-budget cash grants

A decrease of £6,500,000 grants (RfR 1: Subhead N3 Police Pension) due to the transfer of injury in duty payments to main police grant and offset by additional cash requirement from additional voluntary severance leavers for 06/07.	-6,500,000
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Neutral Changes:Transfers within RfR

A transfer of £871,000 administration (RfR 1 Subhead D1, Public Prosecution Service) to (RfR 1 Subhead A1, Central Administration) to exchange for resource in other current.
A transfer of £303,000 administration (RfR 1 Subhead E1, Forensic Science NI) to (RfR 1 Subhead A1, Central Administration) in exchange for capital resource.

A transfer of £2,000 other current (RfR 1 Subhead G2, Compensation Agency) to other current (RfR 1 Subhead A2, Central Administration) as centralisation of reduced requirement in this area.

A transfer of £27,000 administration (RfR 1 Subhead H1, Policing & Security) to grants (RfR 1 Subhead H3, Policing & Security) to cover pressures identified in Police Retraining and Rehabilitation Trust.

A transfer of £170,000 other current (RfR 1 Subhead H2, Policing and Security) to other current (RfR 1 Subhead A2, Central Administration) in respect of funding allocated to Policing Board.

A transfer of £15,000 other current (RfR 1 Subhead I2, Policing Non-Severance) to other current (RfR 1 Subhead H2, Policing and Security) to offset pressures within the directorate.

A transfer of £581,000 administration (RfR 1 Subhead J1, NI prison Service) to administration (RfR 1 Subhead A1, Central Administration) as a reduced requirement used to offset central pressures.

A transfer of £24,000 administration (RfR 1 Subhead L1, Bloody Sunday Inquiry) to administration (RfR 1 Subhead A1, Central Administration) due to reduced forecast requirement.

A transfer of £720,000 grants (RfR 1 Subhead J3, NI Prison Service) to other current (RfR 1 Subhead F2, Criminal Justice) to move resource for the Prisoner Ombudsman.

A transfer of £50,000 other current (RfR 1 Subhead J2, NI Prison Service) to other current (RfR 1 Subhead F2, Criminal Justice) to move resource for the Prisoner Ombudsman.

A transfer of £1,247,000 grants (RfR 1: Subhead N3 Police Pension) to other current (RfR 1: Subhead A2 Central Administration) due to increase to budgeted receipts to the Pension scheme.

A transfer of £100,000 grants (RfR 1: Subhead S3, Criminal Justice Inspection NI) to Other Current (RfR 1: Subhead A2, Central Administration) due to reduced resource requirement.

Increased spending offset by income

An increase of £210,000 in other current (RfR 1 Subhead C2 Political) in respect of political talks and CEO additional expenditure, which is offset by additional AinA (RfR 1 Subhead C5).

An increase of £3,248,000 cash expenditure in administration (RfR 1 Subhead E1, Forensic Science NI) which is offset by additional AinA Subhead E5.

An increase of £165,000 expenditure in administration (RfR 1 Subhead F1, Criminal Justice) which is offset by additional AinA (RfR 1 Subhead F5).

An increase of £100,000 expenditure in other current (RfR 1 Subhead F2, Criminal Justice) which is offset by additional AinA (RfR 1 Subhead F5).

An increase of £116,000 expenditure in other current (RfR 1 Subhead G2, Compensation Agency) which is offset by additional AinA (RfR 1 Subhead G5)

An increase of £15,000 administration (RfR 1 Subhead H1, Policing & Security) offset by additional Ain A(RfR 1 Subhead H5) received from licence sales.

An increase of £575,000 administration (RfR 1 Subhead A1, Central Administration) offset by additional receipts (RfR 1 Subhead A5) mainly due to additional requirements in the Crown Solicitors Office.

Total change in resources for RfR1 75,247,000

Total change in resources for Estimate 75,247,000

Changes in capital

Increases:

Budget transfers from other Government Departments

Increase in capital for energy efficiency (RfR 1 : Subhead A7, Central Administration) funded in budgetary terms by a transfer from the Northern Ireland Department DFP. 24,000

Transfer from Non-voted Provision

Transfer of £7,018,000 to (RfR 1 : Subhead A7 Central Administration) to provide for additional voted capital expenditure requirements. 7,018,000

Neutral Changes:

Surrenders of £4,792,000 capital (RfR 1: Subhead J7, NI Prison Service) and £677,000 capital (RfR 1: Subhead D7, Public Prosecution Service) transferred to meet capital requirements for the following areas: £3,146,000 capital (RfR1: Subhead F7, Criminal Justice) mainly for the Juvenile Justice Centre; £926,000 (RfR 1: Subhead E7, Forensic Science NI) for modernisation and IT, £454,000 (RfR1: Subhead K7, Youth Justice Agency) for IT systems, £205,000 (RfR 1: H7 Policing & Security) for IT systems, £192,000 (RfR1: Subhead G7, Compensation Agency) to upgrade accommodation and IT systems, and £66,000 (RfR1: Subhead C7, Political Directorate) mainly for IT equipment; and £480,000 (RfR1: Subhead A7, Central Administration) in centralisation of easement .

Increased spending offset by income

Increase of £1,250,000 (RfR 1 : Subhead A8 Central Administration) due to the expected sale of NIO houses, offsetting additional resource (RfR 1: Subhead A7 Central Administration) .

Total change in capital for Estimate 7,042,000

2. As a result of the above and non-cash adjustments, there is an increased net cash requirement of £65,695,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	75,247,000
Total additional net resource requirement	75,247,000
Additional net cash requirement	65,695,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Northern Ireland Office on:

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

expenditure on central administrative services; VIP visits to Northern Ireland; the Bloody Sunday Inquiry; Reviews and Commissions arising from the Good Friday Agreement; expenditure on political development and inquiries; expenditure on Victims of the Troubles; expenditure arising from the Northern Ireland Act 1998 and Northern Ireland Act 2000; expenditure arising from elections; forensic services; services related to crime; criminal justice including juvenile justice services; probation and after-care; state pathology; Crown prosecutions and other legal services; compensation schemes; Criminal Injuries Compensation Appeals Panel for Northern Ireland; European union peace and reconciliation projects; and certain other grants; implementation of the Independent Commission on Police findings; security; the Police Ombudsman; Employment Checking Reform Implementation Team; the Independent Assessor of Military Complaints Procedures in Northern Ireland; the Parades Commission; arms decommissioning; policing; prisons including the Prison Service Trust and the Prison Ombudsman; the Northern Ireland Law Commission and associated non-cash items.

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.

grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

The Northern Ireland Office will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Central Administration	38,119	28,394	575	27,819	65,938
RfR 1 - B Ministers	3,267	385	-	385	3,652
RfR 1 - C Political Directorate	26,863	7,087	210	6,877	33,740
RfR 1 - D Public Prosecution Service	32,140	2,224	-	2,224	34,364
RfR 1 - E Forensic Science Northern Ireland	1,449	3,236	3,248	-12	1,437
RfR 1 - F Criminal Justice	22,486	4,020	265	3,755	26,241
RfR 1 - G Compensation Agency	32,161	9,550	116	9,434	41,595
RfR 1 - H Policing & Security	17,206	54	15	39	17,245
RfR 1 - I Policing-Non Severance	2,420	-15	-	-15	2,405
RfR 1 - J Northern Ireland Prison Service	135,827	2,930	-	2,930	138,757
RfR 1 - K Youth Justice Agency	18,580	10,349	-	10,349	28,929
RfR 1 - L Bloody Sunday	4,753	1,934	-	1,934	6,687
Non-budget					
RfR 1 - M Police	793,687	14,981	-	14,981	808,668
RfR 1 - N Police Pensions	61,000	-7,747	-	-7,747	53,253
RfR 1 - O Police Ombudsman for Northern Ireland	8,142	476	-	476	8,618
RfR 1 - P Probation Board for Northern Ireland	13,846	1,548	-	1,548	15,394
RfR1 - Q NI Human Rights Commission	1,475	200	-	200	1,675
RfR1 - R NI Policing Board	8,050	170	-	170	8,220
RfR1 - S Criminal Justice Inspection NI	1,324	-100	-	-100	1,224
Total RfR 1		79,676	4,429	75,247	
Total Changes to RfRs		79,676	4,429	75,247	

			£000
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	38,504	8,292	46,796
Non-Operating A in A	50	1,250	1,300
Net cash requirement	11,406,040	65,695	11,471,735

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending							
116,823	252,213	943,264	1,312,300	14,258	1,298,042	46,796	1,300
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Central Administration							
59,364	10,444	-	69,808	3,870	65,938	11,511	1,250
B Ministers							
3,652	-	-	3,652	-	3,652	-	-
C Political Directorate							
5,643	27,497	1,000	34,140	400	33,740	442	-
D Public Prosecution Service							
2,021	32,431	-	34,452	88	34,364	1,196	-
E Forensic Science Northern Ireland							
9,726	-	-	9,726	8,289	1,437	1,310	50
F Criminal Justice							
10,816	12,630	3,060	26,506	265	26,241	18,015	-
G Compensation Agency							
3,990	-106	38,007	41,891	296	41,595	215	-
H Policing & Security							
7,023	8,902	2,120	18,045	800	17,245	632	-
I Policing-Non Severance							
10	655	1,740	2,405	-	2,405	-	-
J Northern Ireland Prison Service							
13,749	124,892	285	138,926	169	138,757	13,000	-
K Youth Justice Agency							
100	28,910	-	29,010	81	28,929	475	-
L Bloody Sunday							
729	5,958	-	6,687	-	6,687	-	-
Non-budget							
M Police							
-	-	808,668	808,668	-	808,668	-	-
N Police Pensions							
-	-	53,253	53,253	-	53,253	-	-
O Police Ombudsman for Northern Ireland							
-	-	8,618	8,618	-	8,618	-	-
P Probation Board for Northern Ireland							
-	-	15,394	15,394	-	15,394	-	-

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
1	2	3	4	5	6	7	8		
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
Q	NI Human Rights Commission	-	-	1,675	1,675	-	1,675	-	-
R	NI Policing Board	-	-	8,220	8,220	-	8,220	-	-
S	Criminal Justice Inspection NI	-	-	1,224	1,224	-	1,224	-	-
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.									
		-	-	10,010,001	10,010,001	-	10,010,001	-	-
Non-budget									
A	Grants to the Northern Ireland Consolidated Fund	-	-	10,010,000	10,010,000	-	10,010,000	-	-
B	European Institutions (Net)	-	-	1	1	-	1	-	-
Total for Estimate:									
		116,823	252,213	10,953,265	11,322,301	14,258	11,308,043	46,796	1,300

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	11,232,796	75,247	11,308,043
Voted capital items			
Capital	38,504	8,292	46,796
<i>Less:</i> Non-operating A in A	<u>50</u>	<u>1,250</u>	<u>1,300</u>
Total net voted capital	38,454	7,042	45,496
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-8,967	-1,265	-10,232
Depreciation	-18,462	-5,658	-24,120
New provisions and adjustments to previous provisions	-31,674	-8,685	-40,359
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,080	-6,030	-7,110
Increase(+)/decrease (-) in stock	-13	-	-13
Increase(+)/decrease (-) in debtors	-1,799	-	-1,799
Increase(-)/decrease (+) in creditors	-200	-	-200
Use of provisions	<u>196,985</u>	<u>5,044</u>	<u>202,029</u>
Total accruals to cash adjustments	134,790	-16,594	118,196
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,406,040	65,695	11,471,735

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision'

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	104,221
RfR2	-
Total Net Administration Costs	104,221
Net Programme Costs	
RfR1	1,193,821
RfR2	10,010,001
Total Net Programme costs	11,203,822
Total Net Operating Cost	11,308,043
<i>of which:</i>	
Net Resource Requirement	11,308,043
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1,495,820

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	11,308,043
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Net Operating Costs (Accounts)	11,308,043
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	187,129
voted expenditure outside the budget	-10,197,130
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	197,778
unallocated resource provision	-
Resource Budget (Budget)	1,495,820
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,281,828
Annually Managed Expenditure (AME)	213,992

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	45,496
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	39,833
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Capital Budget (Budget)	85,329
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	85,329
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Request for Resources 2 Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Jonathan Phillips as the Accounting Officer of the Northern Ireland Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Northern Ireland Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Administration	12,602
<i>of which:</i>	
Income from licences	65
Income from fees and charges	60
Recovery of costs	12,437
Income from other sales	40
Programme	1,656
<i>of which:</i>	
Recovery of costs	1,656

Total RfR1	14,258 †
-------------------	-----------------

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoupment of electoral expenses, shared accommodation costs, receipts from the use of video conference facilities, certain pension contributions, receipts from accruing superannuation liability charges, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts; recovery of compensation paid, recoupment of grant funding, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the crown, receipts arising from arms decommissioning, proceeds of prison occupational services, sale of surplus stores and catering equipment, creche fees, contributions to community programmes from health and voluntary sectors, dividend interest and tuck shop receipts.

Total Operating A in A	14,258
-------------------------------	---------------

Analysis of non - operating appropriations in aid (A in A)

Programme	1,300
<i>of which:</i>	
Recovery of costs & capital sales	1,300

Total RfR1	1,300 †
-------------------	----------------

† Amount that may be applied as non-operating appropriations in aid in addition to the net total arising from: receipts from the sale of residential properties, surplus IT and office equipment.

Total Non - operating A in A	1,300
-------------------------------------	--------------

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	65,719	1,631	400,990	880,838	1,281,828
<i>of which:</i>					
Administration budget*	17,465	-5,000	104,221	-	104,221
Near-cash in RDEL	44,081	7,610	319,168	749,194	1,068,362
Capital**	7,042	-7,018	45,496	39,833	85,329
Less Depreciation†	-5,658	7,082	-24,120	-36,778	-60,898
Total	67,103	1,695	422,366	883,893	1,306,259

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
15,558

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR 1		
J	Prison Service Trust	285

HM Treasury

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all

Decreases:

Transfer to other RfRs within the Estimate

Section A

-11,500,000

Transfer to RfR 2 to fund increased metal prices and demand for coinage.

Section A

-1,000,000

Transfer to RfR 3 to fund increased spending in connection with the teams established to help deliver the Government's Efficiency programme and staff exits.

Section B

-5,000,000

Transfer to RfR 3 to fund increased spending in connection with the teams established to help deliver the Government's Efficiency programme and staff exits.

Neutral Changes:

Transfers between Sections within the RfR

Section A to Section C

-

Transfer of £110,000 to Section C to finance an increase in the grant to the Parliamentary bodies

Increased gross spending offset by receipts

Section A

-

Increased spending offset by an increase in income of £5,400,000, comprising £5,000,000 administration income, including from sub letting parts of the 1 Horse Guards Road building and £400,000 programme income.

Section B

-

Increased spending offset by an increase in receipts of £4,000,000 comprising £3,500,000 administration income from recharging and £500,000 programme income.

Total change in resources for RfR1 -17,500,000

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Increases:

Transfer from other RfRs within the Estimate

Section A

11,501,000

Transfer from RfR 1 Section A to fund increased costs arising from the cost of metal and increased demand for coinage

Neutral Changes:**Increased gross spending offset by receipts**

Section A

Increased spending offset by an increase in receipts of £1,500,000 from the sale of scrap metal.

-

Total change in resources for RfR2 11,501,000**RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis****Increases:****Transfer from other RfRs within the Estimate**

Section A

Transfer from RfR 1 Section A of £1,000,000 and from RfR 1 Section B of £5,000,000 to fund increased spending in connection with the teams established to help deliver the Government's Efficiency programme and staff exits.

6,000,000

Neutral Changes:**Increased gross spending offset by receipts**

Section A

Increased spending offset by an increase in income of £1,400,000 mainly comprising an increase in administration income of £4,625,000 less a reduction of £3,411,000 in income from the vacant estate.

-

Total change in resources for RfR3 6,000,000**Total change in resources for Estimate** 1,000

2. There is no change in the net cash requirement of £229,040,000 as a result of this token Supplementary Estimate.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all	†	-17,500,000
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	†	11,501,000
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis	†	6,000,000
Total additional net resource requirement		1,000
Additional net cash requirement		-

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by HM Treasury on:

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all

Economic, financial and related administration; grants in aid to four Parliamentary bodies; expenses in connection with honours and dignities; a grant in aid to the Statistics Commission; expenditure of the Debt Management Office; payments under an indemnity guarantee in respect of Paymaster; expenditure on administration of Treasury related bodies; payments to the Royal Mint; compensation payments arising from gilt administration; and associated non-cash items, including the cost of capital charges on the Treasury's investment in the Bank of England, and on any saleable artefacts recovered from the wreck of HMS Sussex.

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Manufacture, storage and distribution of coinage for use in the United Kingdom; actions to protect the integrity of coinage; and associated non-cash items.

RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

Administration and other related costs of the Office of Government Commerce and OGC buying solutions; management and disposal of surplus civil estate; costs and income from investment and loans to OGC buying solutions; and associated non-cash items.

HM Treasury will account for this Estimate.

† The reduction in net resources of £17,500,000 for RfR 1 is being offset by the reallocation of £11,500,000 to RfR 2 and £6,000,000 to RfR 3.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Core Treasury	128,102	-7,210	5,400	-12,610	115,492
RfR 1 - B Debt Management Office	14,903	-1,000	4,000	-5,000	9,903
RfR 1 - C Parliament and Privy Council	2,940	110	-	110	3,050
Total RfR 1		-8,100	9,400	-17,500	
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A UK coinage	31,700	13,001	1,500	11,501	43,201
Total RfR 2		13,001	1,500	11,501	
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis					
Spending in Departmental Expenditure Limits (DEL)					
RfR 3 - A Office of Government Commerce	40,699	7,400	1,400	6,000	46,699
Total RfR 3		7,400	1,400	6,000	
Total Changes to RfRs		12,301	12,300	1	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	7,200	-	7,200
Non-Operating A in A	-	-	-
Net cash requirement	229,040	-	229,040

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life,							
125,223	109,345	3,050	237,618	10,623	226,995	4,780	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Core Treasury							
112,834	8,581	-	121,415	5,923	115,492	3,380	-
B Debt Management Office							
12,389	2,214	-	14,603	4,700	9,903	1,400	-
C Parliament and Privy Council							
-	-	3,050	3,050	-	3,050	-	-
D Statistics Commission							
-	1,350	-	1,350	-	1,350	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
E Investment in Bank of England							
-	96,200	-	96,200	-	96,200	-	-
F HMS Sussex artefacts							
-	1,000	-	1,000	-	1,000	-	-
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage							
-	51,749	-	51,749	1,500	50,249	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A UK coinage							
-	44,701	-	44,701	1,500	43,201	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
B UK coinage							
-	7,048	-	7,048	-	7,048	-	-
RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis							
60,194	2,589	-	62,783	16,084	46,699	2,420	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Office of Government Commerce							
60,194	2,589	-	62,783	16,084	46,699	2,420	-
Total for Estimate:							
185,417	163,683	3,050	352,150	28,207	323,943	7,200	-

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	323,942	1	323,943
Voted capital items			
Capital	7,200	-	7,200
<i>Less: Non-operating A in A</i>	-	-	-
Total net voted capital	7,200	-	7,200
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-104,097	-	-104,097
Depreciation	-7,676	-	-7,676
New provisions and adjustments to previous provisions	-447	-	-447
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	10,178	-	10,178
Total accruals to cash adjustments	-102,102	-	-102,102
Excess cash to be CFERd	-		-
Adjustment to remove token increase in cash	-	-1	-1
Net Cash Requirement	229,040	-	229,040

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	70,548	-	70,548	-
Non-operating income not classified as A in A	-	-	1,189	<i>1,189</i>
Other amounts collectable on behalf of the Consolidated Fund	1,341	-	1,341	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	71,889	-	73,078	<i>1,189</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	116,400
RfR2	-
RfR3	45,929
Total Net Administration Costs	162,329
Net Programme Costs	
RfR1	40,047
RfR2	50,249
RfR3	770
Non-voted expenditure	23,804
Total Net Programme costs	114,870
Total Net Operating Cost	277,199
<i>of which:</i>	
Net Resource Requirement	323,943
Non-voted expenditure	23,804
Consolidated Fund Extra Receipts	-70,548
Resource Budget	301,658

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	323,943
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	23,804
Consolidated Fund extra receipts in the OCS	-70,548
Other adjustments	-
Net Operating Costs (Accounts)	277,199
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	23,459
resource consumption of non departmental public bodies	-
unallocated resource provision	1,000
Other adjustments	-
Resource Budget (Budget)	301,658
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	240,660
Annually Managed Expenditure (AME)	60,998

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	7,200
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	7,200
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,200
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Nicholas MacPherson, Permanent Head of the Department
Request for Resources 2	Nicholas MacPherson, Permanent Head of the Department
Request for Resources 3	John Oughton, Chief Executive of the Office of Government Commerce

Nicholas MacPherson as the Principal Accounting Officer (PAO) of HM Treasury has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of HM Treasury.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

In accordance with Government Accounting requirements, the relationship between the PAO and the Additional Accounting Officer, and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life, with economic and employment opportunities for all

Administration	8,823
<i>of which:</i>	
Sale of goods and services	8,823
CFERs	-
Programme	1,800
<i>of which:</i>	
Sale of goods and services	1,800
Interest and dividends	70,548
CFERs	-70,548

Total RfR1	10,623 †
-------------------	-----------------

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: recoveries in respect of administration of the Treasury, including charges for courses, services provided by the Economics in Government team and officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; charges for services provided by the Government Social Research Unit; income from recovery actions in connection with Barlow Clowes; charges for services to government departments provided under the Financial Management Change agenda; income from fees charged to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; income due to the Debt Management Office for advertising costs, stock exchange listings, data provision, management and administration of certain public and private funds and provision of a lending service to local authorities; administration of Pool Re and other related bodies; proceeds from artefacts recovered from HMS Sussex; European Fast Stream income from Cabinet Office; amounts arising from the sale of shares and debt.

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Administration	-
<i>of which:</i>	
Sale of goods and services	-
CFERs	-
Programme	1,500
<i>of which:</i>	
Sale of goods and services	1,500
CFERs	-
Total RfR2	1,500 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: the sale of scrap metal.

RfR3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

Administration	14,265
<i>of which:</i>	
Sale of goods and services	14,265
CFERs	-
Programme	1,819
<i>of which:</i>	
Sale of goods and services	222
Interest and dividends	1,597
CFERs	-
Total RfR3	16,084 †
† Amount that may be applied as appropriations in aid in addition to the net total, arising from: income from consultancy and other customer services, hirings of vacant property, sales of surplus energy and the OGC buying solutions dividend.	
Total Operating A in A	28,207 †

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Fixed investments	△	70,548	-
Civil List	Φ	1,341	-
Loan repayment	Φ	1,189	1,189
Total		73,078	1,189

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-6,940	219,695	20,965	240,660
<i>of which:</i>					
Administration budget*	-4,465	-	162,329	1,000	163,329
Near-cash in RDEL	-	-6,940	221,840	20,965	242,805
Capital**	-	-	7,200	-	7,200
Less Depreciation†	-	-	-7,676	-	-7,676
Total	1	-6,940	219,219	20,965	240,184

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
28,207

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Notes to the Estimate (*continued*)**Grants in Aid**

RfR/Section	Body		£ '000
RfR1 - C	The Commonwealth Parliamentary Association	◆	1,665
RfR1 - C	The British-American Parliamentary Group	◆	98
RfR1 - C	The Inter-Parliamentary Union	◆	1,117
RfR1 - C	The British-Irish Parliamentary Union	◆	180
RfR1 - D	The Statistics Commission	◆	1,350
			<hr/> 4,410

HM Revenue and Customs

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Increases:

Draw down of Department unallocated provision (DUP)

- | | | |
|----|--|------------|
| 1. | Subhead A1
£60,074,000 administration costs to support on-going merger costs and to drive forward the modernisation programme | 60,074,000 |
|----|--|------------|

Take up of resource non-cash end year flexibility (EYF) entitlement

- | | | |
|----|--|------------|
| 1. | Subhead A1
£38,000,000 non cash administration costs, as announced in the 2005-06 Public Expenditure Outturn White Paper (Cm6883) | 38,000,000 |
|----|--|------------|

Take up of resource near cash end year flexibility (EYF) entitlement for virement into capital

- | | | |
|----|---|------------|
| 1. | Subhead A1
£30,602,000 administration costs, as announced in the 2005-06 Public Expenditure Outturn White Paper (Cm6883) | 30,602,000 |
|----|---|------------|

Take up of DEL Reserve claim

- | | | |
|----|---|------------|
| 1. | Subhead A1
£30,000,000 in respect of the expansion of call centre capacity | 30,000,000 |
|----|---|------------|

Adjustment to Appropriation-in-Aid

- | | | |
|----|---|------------|
| 1. | Subhead A5
A reduction of £16,277,000 to programme receipts met from a commensurate reduction in non-voted programme expenditure. This is a neutral DEL change | 16,277,000 |
|----|---|------------|

Reclassification from capital to resource

- | | | |
|----|--|-----------|
| 1. | Subheads A3 and A7
£1,500,000 reclassified as a resource cost from capital DEL in respect of the Government Secure Zone | 1,500,000 |
|----|--|-----------|

Transfers from other government departments

- | | | |
|----|--|---------|
| 1. | Subhead A2
£168,000 programme expenditure from the Department for Finance and Personnel in respect of the aggregates levy | 168,000 |
|----|--|---------|

Decreases:Virement from resource to capital

- | | | |
|----|---|-------------|
| 1. | Subheads A1 and A7 | |
| | £30,602,000 administration cost end year flexibility transferred to capital | -30,602,000 |

Transfers to other government departments

- | | | |
|----|--|------------|
| 1. | Subhead A1 and A2 | |
| | A Machinery of Government change to the Home Office in respect of Serious Organised Crime Agency funding amounting to £1,445,000 in near cash administration costs, £97,000 in programme expenditure and £216,000 in non-cash administration costs | -1,758,000 |

Other Decreases: AME

- | | | |
|----|--|-------------|
| 1. | Subhead B3 | |
| | Reduction of £30,000,000, to reflect revisions to AME incentive payments | -30,000,000 |

Neutral Changes:Virement from administration costs to programme expenditure

- | | | |
|----|--|---|
| 1. | Subheads A1 and A2 | |
| | £35,109,000 transfer of administration costs to programme expenditure, of which £11,000,000 relates to an agreement with HM Treasury to re-classify some legal costs | - |

Increased expenditure offset by income

- | | | |
|---|--|---|
| 1 | Subheads A1 and A5 | |
| | To increase the levels of administration costs and income by £10,600,000 resulting primarily from additional receipts from the Asset Recovery Incentivisation Scheme | - |

Total change in resources for RfR1 114,261,000

RfR 3: Providing payments in lieu of tax relief to certain bodies**Increases:**Increase the AME forecast requirement

- | | | |
|----|---|-----------|
| 1. | Subhead A3 | |
| | £4,000,000 increase mainly in respect of stakeholder pensions | 4,000,000 |

Total change in resources for RfR3 4,000,000

RfR 5: Payments of Child Benefit and Child Trust Fund endowments**Increases:**Increase the AME forecast requirement

- | | | |
|----|--|------------|
| 1. | Subhead A3 | |
| | £10,538,000 increase to the Child Benefit forecast | 10,538,000 |

Total change in resources for RfR5 10,538,000

Total changes in resource for Estimate 128,799,000

Changes in capital**RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements****Increases:**Virement from resource to capital

- | | | |
|----|--|------------|
| 1. | Subheads A1 and A7
£30,602,000 transferred from resource to help deliver major investment in information technology and business systems infrastructure | 30,602,000 |
|----|--|------------|

Draw down of Department unallocated provision (DUP)

- | | | |
|----|---|-----------|
| 1. | Subhead A7
£3,739,000 to help deliver major investment in information technology and business systems infrastructure | 3,739,000 |
|----|---|-----------|

Decreases:Reclassification from capital to resource

- | | | |
|----|---|------------|
| 1. | Subheads A3 and A7
£1,500,000 reclassified as a resource administration cost from capital DEL in respect of the Government Secure Zone | -1,500,000 |
|----|---|------------|

Transfers to other government departments

- | | | |
|----|--|----------|
| 1. | Subhead A7
A Machinery of Government change to the Home Office in respect of Serious Organised Crime Agency funding amounting to £289,000 | -289,000 |
|----|--|----------|

RfR 2: Growing a contribution to the good management of property where the public interest is involved**Increases:**Take up of resource near cash end year flexibility (EYF) entitlement for virement into capital

- | | | |
|----|---|-----------|
| 1. | Subheads A1 and A7
£2,100,000 administration costs, as announced in the 2005-06 Public Expenditure Outturn White Paper (Cm6883) vired into capital | 2,100,000 |
|----|---|-----------|

Total change in capital for Estimate 34,652,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £355,429,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	† 114,261,000
RfR 3: Providing payments in lieu of tax relief to certain bodies	4,000,000
RfR 5: Payments of Child Benefit and Child Trust Fund endowments	10,538,000
Total additional net resource requirement	128,799,000
Additional net cash requirement	† 355,429,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by HM Revenue and Customs on:

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

administration and the associated non-cash items incurred in the management and collection of the direct and indirect taxes, duties and levies, Shipbuilders' Relief, new tax credits, National Insurance Contributions, Child Benefit and the Child Trust Fund, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; OPG and government banking services; the operation of customs controls including prohibitions and restrictions; the provision of trade information; residual costs in respect of the Lorry Road User charging scheme; the provision of Capital Grants for Excise Tax Stamps; the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of the Customs National Museum and grants to the voluntary and community sector; air travel carbon-offsetting; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies including any assistance with investigations into terrorist incidents, and overseas tax administration.

RfR 2: Growing a contribution to the good management of property where the public interest is involved
administration and the associated non-cash incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency.

RfR 3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, supplements on payroll giving, donations to charities and on personal and stakeholder pension schemes, life assurance premium relief, stamp duty relief and residual payments for mortgage interest relief, vocational training relief and private medical insurance; and associated non-cash items.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by Her Majesty's Revenue and Customs in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations, contributions in lieu of rates in respect of properties occupied by the Crown in Gibraltar and other similar payments; and associated non-cash items.

RfR 5: Payments of Child Benefit and Child Trust Fund endowments

payments of Child Benefit, Child Trust Funds and associated non-cash items.

HM Revenue and Customs will account for this Estimate.

† The Serious Organised Crime Agency (SOCA) was transferred to the Home Office on 1 April 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is reduced by £1,758,000; and
- b) capital expenditure for RfR1 is reduced by £289,000; and
- c) the net cash requirement is reduced by £1,831,000.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	4,126,901	138,584	-5,677	144,261	4,271,162
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR1 - B e-filing incentive payments	325,000	-30,000	-	-30,000	295,000
Total RfR 1		108,584	-5,677	114,261	
RfR 3: Providing payments in lieu of tax relief to certain bodies					
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 3 - A Payments in lieu of tax relief	78,000	4,000	-	4,000	82,000
Total RfR 3		4,000	-	4,000	
RfR 5: Payments of Child Benefit and Child Trust Fund endowments					
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 5 - A Children's Benefits	10,151,462	10,538	-	10,538	10,162,000
Total RfR 5		10,538	-	10,538	
Total Changes to RfRs		123,122	-5,677	128,799	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	307,659	34,652	342,311
Non-Operating A in A	3,980	-	3,980
Net cash requirement	15,015,046	355,429	15,370,475

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements							
4,581,900	123,233	296,935	5,002,068	435,905	4,566,163	327,211	3,818
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
4,581,900	119,733	1,935	4,703,568	432,406	4,271,162	327,211	3,818
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
B e-filing incentive payments							
-	-	295,000	295,000	-	295,000	-	-
Non-budget							
C Operational local clearance procedures							
-	3,500	-	3,500	3,499	1	-	-
RfR 2: Growing a contribution to the good management of property where the public interest is involved							
223,101	-	-	223,101	223,100	1	15,100	162
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
223,101	-	-	223,101	223,100	1	15,100	162
RfR 3: Providing payments in lieu of tax relief to certain bodies							
-	-	82,000	82,000	-	82,000	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A Payments in lieu of tax relief							
-	-	82,000	82,000	-	82,000	-	-
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies							
-	41,074	-	41,074	4,203	36,871	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A Payments of Local Authority rates							
-	41,074	-	41,074	4,203	36,871	-	-
RfR 5: Payments of Child Benefit and Child Trust Fund endowments							
-	-9,574	10,411,574	10,402,000	-	10,402,000	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A Children's Benefits							
-	-9,574	10,171,574	10,162,000	-	10,162,000	-	-
B Child Trust Fund endowments							
-	-	240,000	240,000	-	240,000	-	-
Total for Estimate:							
4,805,001	154,733	10,790,509	15,750,243	663,208	15,087,035	342,311	3,980

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	14,958,236	128,799	15,087,035
Voted capital items			
Capital	307,659	34,652	342,311
<i>Less: Non-operating A in A</i>	<i>3,980</i>	<i>-</i>	<i>3,980</i>
Total net voted capital	303,679	34,652	338,331
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-8,196	1,696	-6,500
Depreciation	-189,133	-13,865	-202,998
New provisions and adjustments to previous provisions	-60,915	-98,746	-159,661
Profit/loss on sale of assets	-	2,068	2,068
Prior period adjustments	-	-	-
Other non-cash items	-520	-10,352	-10,872
Increase(+)/decrease (-) in stock	-500	-	-500
Increase(+)/decrease (-) in debtors	-13,728	-	-13,728
Increase(-)/decrease (+) in creditors	-17,877	212,000	194,123
Use of provisions	44,000	99,177	143,177
Total accruals to cash adjustments	-246,869	191,978	-54,891
Excess cash to be CFERd	-	-	-
Net Cash Requirement	15,015,046	355,429	15,370,475

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	210,000	<i>210,000</i>	230,000	<i>230,000</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	210,000	<i>210,000</i>	230,000	<i>230,000</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	4,523,492
RfR2	1
RfR3	-
RfR4	-
RfR5	-
	<hr/>
Total Net Administration Costs	4,523,493
Net Programme Costs	
RfR1	42,671
RfR2	-
RfR3	82,000
RfR4	36,871
RfR5	10,402,000
Non-voted	-
	<hr/>
Total Net Programme costs	10,563,542
Total Net Operating Cost	15,087,035
<i>of which:</i>	
Net Resource Requirement	15,087,035
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	29,958,476

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	15,087,035
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	15,087,035
<i>Adjustments to remove:</i>	
capital grants	-241,500
European Union income related to capital grants	-
voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	15,112,942
Resource Budget (Budget)	29,958,476
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,619,102
Annually Managed Expenditure (AME)	25,340,874

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	338,331
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	241,500
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	579,831
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	338,331
Annually Managed Expenditure (AME)	240,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Mike Eland, Director General, HM Revenue and Customs
Request for Resources 2	Andrew Hudson, Chief Executive of the Valuation Office Agency
Request for Resources 3	David Hartnett, Director General, HM Revenue and Customs
Request for Resources 4	Andrew Hudson, Chief Executive of the Valuation Office Agency
Request for Resources 5	Mike Eland, Director General, HM Revenue and Customs

Paul Gray as the Principal Accounting Officer of HM Revenue and Customs has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of HM Revenue and Customs.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

In accordance with Government Accounting requirements, the relationship between the PAO and the Additional Accounting Officers and with their Ministers, together with their respective responsibilities, is set out in writing.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Administration	58,408
<i>of which:</i>	
Sale of goods and services	39,649
Regulatory licences, fines, penalties and taxes	18,759
Programme	377,497
<i>of which:</i>	
Sale of goods and services	377,362
Regulatory licences, fines, penalties and taxes	135

Total RfR1 **435,905 †**

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of costs of administering the National Insurance Funds and collection of National Insurance contributions; subsidies for New Deal jobseekers employed; receipts for services provided to the Valuation Office Agency, government departments and other bodies; recovery of costs in respect of the Aggregates levy and of seconded and loan staff; charges for the special attendance of officers; and for international commitments;

receipts from the sale of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; receipts from the Asset Recovery Incentivisation Scheme and Recovered Assets Incentivisation Fund; and marine fuel relief, fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; and other miscellaneous administration and programme cost receipts.

RfR 2: Growing a contribution to the good management of property where the public interest is involved

Administration	223,100
<i>of which:</i>	
Sale of goods and services	223,100

Total RfR2 **223,100 †**

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of costs of valuation and other services; receipts from the use of certain official cars; receipts from the sale of information and publications; recovery of law costs; rent receipts from other government departments and private tenants; other administration cost receipts.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

Programme	4,203
<i>of which:</i>	
Sale of goods and services	4,203

Total RfR4 **4,203 †**

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities and Ministry of Defence property in Gibraltar.

Total Operating A in A **663,208**

Analysis of non - operating appropriations in aid (A in A)

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Programme	3,818
<i>of which:</i>	
Sale of assets	3,818

Total RfR1	3,818 †
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† Amount that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of fixed assets and from the sale of land and buildings.

RfR 2: Growing a contribution to the good management of property where the public interest is involved

Programme	162
<i>of which:</i>	
Sale of assets	162

Total RfR2	162 †
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† Amount that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of assets.

Total Non-Operating A in A	3,980
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2006-07 provision	
		Income	Receipts
Fines and penalties	●	205,200	205,200
Proceeds, less duty, on sales of seized assets	●	6,400	6,400
Other miscellaneous receipts	●	18,400	18,400
Total		230,000	230,000

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	144,261	-76,665	4,271,163	347,939	4,619,102
<i>of which:</i>					
<i>Administration budget*</i>	91,304	-60,074	4,523,493	-	4,523,493
<i>Near-cash in RDEL</i>	106,477	-64,288	3,965,072	404,316	4,369,388
Capital**	34,652	-3,739	338,331	-	338,331
Less Depreciation†	-13,865	-	-202,998		-202,998
Total	165,048	-80,404	4,406,496	347,939	4,754,435

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
667,188

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Office for National Statistics

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in resources</u>	
RfR 1: Providing statistical and registration services	
Increases:	
1	1,239,000
<u>Take up of End-Year Flexibility (EYF)</u> Take up of End-Year Flexibility (EYF) of £553,000 (administration) and £686,000 (other current) as set out in the Public Outturn White Paper (Cm 6883)	
2	6,000,000
<u>Transfer from non-voted spending (DUP)</u> To draw down £6,000,000 (administration) Departmental Unallocated Provision to meet in year pressures	
3	5,000,000
<u>Reserve claim</u> To draw down £5,000,000 (administration) in respect of ONS efficiency and restructuring	
4	16,770,000
To increase provision by £16,770,000. The increased in provision is mainly in respect of a proposed VES scheme.	
5	5,270,000
To increase depreciation charges by £5,270,000 in support of the write down of Drummond Gate	
Neutral Changes:	
<u>Increased expenditure offset by income</u>	
1	-
To increase level of appropriation in aid receipts by £3,161,000 in respect of the recovery of costs on shared projects and surveys from other government departments, matched by increased operating costs expenditure of £3,161,000.	
<u>Programme expenditure</u>	
2	-
To reflect the reclassification of EU expenditure and receipts from programme to administration by £550,000	
<u>Loss on sale of assets</u>	
3	-
Loss on sale of Bessborough (£4,800,000) financed by savings in administration costs	
Total change in resources for Estimate	
34,279,000	
<u>Changes in capital</u>	
Dereases:	
1	-3,162,000
To reduced capital by £3,162,000 to take into account the receipts from the disposal of Bessborough	
Total change in capital for Estimate	
-3,162,000	
2.	As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £3,977,000.
3.	Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Providing statistical and registration services	34,279,000
Total additional net resource requirement	34,279,000
Additional net cash requirement	3,977,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Office for National Statistics Office on:

RfR 1: Providing statistical and registration services

Collection, preparation and dissemination of economic, social, labour market and other statistics; register services, departmental administration and associated non-cash items.

The **Office for National Statistics** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Providing statistical and registration services					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	161,846	37,440	3,161	34,279	196,125
Total RfR 1		37,440	3,161	34,279	
Total Changes to RfRs		37,440	3,161	34,279	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	27,830	-	27,830
Non-Operating A in A	250	3,162	3,412
Net cash requirement	166,983	3,977	170,960

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Providing statistical and registration services								
239,939	5,486	-	245,425	49,300	196,125	27,830	3,412	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
239,939	5,486	-	245,425	49,300	196,125	27,830	3,412	
Total for Estimate:								
239,939	5,486	-	245,425	49,300	196,125	27,830	3,412	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	161,846	34,279	196,125
Voted capital items			
Capital	27,830	-	27,830
<i>Less:</i> Non-operating A in A	250	3,162	3,412
Total net voted capital	27,580	-3,162	24,418
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,100	-	-3,100
Depreciation	-19,633	-5,270	-24,903
New provisions and adjustments to previous provisions	-	-20,770	-20,770
Profit/loss on sale of assets	-	-4,800	-4,800
Prior period adjustments	-	-	-
Other non-cash items	-32	-	-32
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-119	-	-119
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	441	3,700	4,141
Total accruals to cash adjustments	-22,443	-27,140	-49,583
Excess cash to be CFERd	-		-
Net Cash Requirement	166,983	3,977	170,960

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	195,239
Total Net Administration Costs	195,239
Net Programme Costs	
RfR1	886
Total Net Programme costs	886
Total Net Operating Cost	196,125
<i>of which:</i>	
Net Resource Requirement	196,125
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	196,902

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	196,125
<i>Adjustments to remove:</i>	
provision voted for earlier years	
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	196,125
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	777
Other adjustments	-
Resource Budget (Budget)	196,902
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	196,902
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	24,418
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-4,800
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	7,962
Other adjustments	-
Capital Budget (Budget)	27,580
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	27,580
Annually Managed Expenditure (AME)	

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1

Karen Dunnell, Director of the Office for National Statistics

Karen Dunnell as the Accounting Officer of the Office for National Statistics has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office for National Statistics.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

 2006-07
 Provision

RfR 1: Providing statistical and registration services
Administration 48,950
of which:

 Administration income 2,771
 Sales of Registration Certificates 17,114
 Other Register Services 6,116
 Sales of Statistical Data 11,208
 Provision of Social Surveys 11,741
 EU income 350

Total RfR1 49,300 †

† Amount that may be applied as appropriation in aid in addition to the net total, arising from: sale of statistical information publications and other services to other departments, the European Union and the public.

Total Operating A in A 49,300

Analysis of non - operating appropriations in aid (A in A)

RfR 1: Providing statistical and registration services
Programme -
of which:

 Sale of assets 3,412
 Sale of assets 3,412

Total RfR1 3,412 †

† Amount that may be applied as non-operating appropriations in aid, arising from: recovery of income from the sale of surplus assets.

Total Non - operating A in A 3,412

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	34,279	-6,000	196,125	777	196,902
<i>of which:</i>					
<i>Administration budget*</i>	28,993	-6,000	190,639	777	191,416
<i>Near-cash in RDEL</i>	3,439	-2,300	142,520	4,918	147,438
Capital**	7,962	-7,962	19,618	7,962	27,580
Less Depreciation†	-5,270	-	-24,903	-	-24,903
Total	36,971	-13,962	190,840	8,739	199,579

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

£'000
49,300

Cabinet Office

Introduction

1. This Supplementary Estimate is required for the following purposes, all entries are near-cash:

Amount £

Changes in resources

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Increases:

Transfers in of Budgetary cover

1 Transfer from Security and Intelligence Agencies 5,300,000
Programme Expenditure
£5,300,000
 RfR subhead: A2

2 Transfer from Security and Intelligence Agencies
Programme Expenditure
£5,000,000 5,000,000
 RfR subhead: A2

3 Transfer from Security and Intelligence Agencies
Programme Expenditure
£1,681,000 1,681,000
 RfR subhead: A2

Reserve transfers

4 Reserve transfer matched funding for Office of the Third sector
Grant Expenditure
£7,500,000 7,500,000
 RfR subhead: D3

5 Reserve transfer for Retail Enforcement and Local Better Regulation (BRE)
Admininstration Expenditure
£900,000 900,000
 RfR subhead: A1

Other Increases

6 Transfer from Home Office End Year Flexibility re grants to Future Builders
Grant Expenditure
£81,428,000 81,428,000
 RfR subhead: D3

Decreases:

7 Transfer to Department for Communities & Local Government (DCLG)
Admininstration Expenditure
£764,000 -764,000
 RfR subhead: D1

Machinery of Government change

8 Transfer to Deputy Prime Minister's Office (DPMO)

Administration Expenditure**£487,000**

-487,000

RfR subhead: A1

9 Increase in Programme Income

Programme Income

£7,765,000

-7,765,000

RFR subhead: A5

Neutral Changes:**Increase in Income offset by higher expenditure**

10 Minor occupiers

Administration Income

£1,218,000

RFR subhead: A1:A5

11 Other Income

Administration Income

£1,989,000

RFR subhead: A1:A5

12 Recoveries of costs from other government departments for cost sharing arrangements

Programme Income

£776,000

RFR subhead: A2:A5

Decrease in Income offset by lower expenditure

13 Staff Salaries Recoveries

Administration Income

£669,000

RFR subhead: A1:A5

14 Sales of Goods and Services from OGD's

Administration Income

£20,000

RFR subhead: A1:A5

15 Receipts for training Courses and rent in Emergency Planning College

Administration Income

£113,000

RFR subhead: A1:A5

16 Recoveries of costs from other government departments for cost sharing arrangements

Administration Income

£1,356,000

RFR subhead: A1:A5

17 Recoveries of costs from other government departments for cost sharing arrangements

Programme Income

£19,000

RFR subhead: A3:A5

Total change in resources for RfR1 92,793,000**Total change in resources for Estimate** 92,793,000

Changes in capital**End Year Flexibility**

18 Draw Down Capital EYF	
£23,000,000	23,000,000
RfR Subhead: A7	

Total change in capital for Estimate 23,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £35,165,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	†	92,793,000
Total additional net resource requirement	†	92,793,000
Additional net cash requirement	†	35,165,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Cabinet Office on:

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; the offices of the Minister for the Cabinet Office and the Minister of State, Cabinet Office; the Social Exclusion Task Force; the Office of the Third Sector; the Parliamentary Counsel Office; the Cabinet secretariat; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; grants to certain not-for-profit organisations; grants to local authorities; expenditure associated with the awards of honours and dignities; certain other services; and associated non-cash items.

The **Cabinet Office** will account for this Estimate.

† Certain functions of the Cabinet Office were transferred to the Deputy Prime Minister's Office on 5 May 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government change are:

- a) the net resource requirement is decreased by £ 487,000; and
- b) the net cash requirement is decreased by £ 487,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Cabinet Office	228,507	14,219	9,590	4,629	233,136
RFR1 - D Office of the Third Sector	98,154	88,164	-	88,164	186,318
RfR 1 - F Security	1,993	-19	-19	-	1,993
Total RfR 1		102,364	9,571	92,793	
Total Changes to RfRs		102,364	9,571	92,793	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	5,749	23,000	28,749
Non-Operating A in A	22	-	22
Net cash requirement	341,123	35,165	376,288

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives								
256,351	76,931	231,033	564,315	104,038	460,277	28,749	22	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Cabinet Office								
251,720	71,336	5,056	328,112	94,976	233,136	28,720	22	
B National School of Government								
	-	-	-	-	-	-	-	-
<i>Support for Local Authorities</i>								
C London Emergency Fire Planning Authority								
-	-	606	606	-	606	-	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
D Office of the Third Sector								
3,705	5,595	177,018	186,318	-	186,318	29	-	
E Social Exclusion Task Force								
926	-	-	926	-	926	-	-	-
<i>Support for Local Authorities</i>								
F Security								
-	-	11,055	11,055	9,062	1,993	-	-	-
Non-Budget								
G Capacity Builders Agency								
-	-	37,298	37,298	-	37,298	-	-	-
Total for Estimate:								
256,351	76,931	231,033	564,315	104,038	460,277	28,749	22	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	367,484	92,793	460,277
Voted capital items			
Capital	5,749	23,000	28,749
<i>Less: Non-operating A in A</i>	<i>22</i>	<i>-</i>	<i>22</i>
Total net voted capital	5,727	23,000	28,727
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-8,507	-	-8,507
Depreciation	-23,364	-	-23,364
New provisions and adjustments to previous provisions	-1	-	-1
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-216	-	-216
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-81,428	-81,428
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	800	800
Total accruals to cash adjustments	-32,088	-80,628	-112,716
Excess cash to be CFERd	-	-	-
Net Cash Requirement	341,123	35,165	376,288

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Present provision		New provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	7,765	<i>7,765</i>	942	<i>942</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	7,765	<i>7,765</i>	942	<i>942</i>

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	219,041
Total Net Administration Costs	219,041
Net Programme Costs	
RfR1	240,294
Total Net Programme costs	240,294
Total Net Operating Cost	459,335
<i>of which:</i>	
Net Resource Requirement	460,277
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-942
Resource Budget	358,337

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	460,277
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-942
Other adjustments	-
Net Operating Costs (Accounts)	459,335
<i>Adjustments to remove:</i>	
capital grants	-108,830
European Union income related to capital grants	-
voted expenditure outside the budget	-37,298
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	942
resource consumption of non departmental public bodies	37,248
unallocated resource provision	-
Other adjustments	6,940
Resource Budget (Budget)	358,337
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	358,337
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	28,727
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	50
capital grants	108,830
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	137,607
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	137,607
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Sir Gus O' Donnell, Permanent Head of the Department

Sir Gus O'Donnell as the Accounting Officer of the Cabinet Office has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Cabinet Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Administration	37,310
<i>of which:</i>	
Sale of goods and services	37,310
Programme	66,728
<i>of which:</i>	
Sale of goods and services	66,728
Total RfR1	104,038 †

† Amount that may be applied as appropriation in aid in addition to the net total, arising from: income from minor occupiers of the Department's buildings; sales of services and goods to other government departments, public bodies and general public; sponsorship income; income from the Employment Opportunities Fund; income in respect of central management costs of the Principal Civil Service Pensions Scheme (PCSPS), Civil Service additional Voluntary Contributions Scheme (CSAVC), and the Federated Superannuation Scheme for Universities (FSSU); refunds from the European Community and receipts in respect of international projects; recovery of costs of staff on loan; recovery from staff for miscellaneous items; recovery of costs incurred by the Prime Minister's Office on official visits; profit on disposal of fixed assets; Emergency Planning College receipts for training courses; receipts for rent; recovery of legal costs; recoveries of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and dignities; and certain other services.

Total Operating A in A	104,038
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Analysis of non - operating appropriations in aid (A in A)

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Programme	22
<i>of which:</i>	
Sale of goods and services	-
Loan, etc., repayments	22
Total RfR1	22 †

† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loans by the Civil Service Sports Council and the London Hostels Association; the proceeds from the sale of fixed assets, covering the net book value.

Total Non - operating A in A	22
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	Φ	£'000	
		2006-07 provision Income	Receipts
Sales of goods & services		942	942
Total		942	942

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	5,504	6,940	314,149	44,188	358,337
<i>of which:</i>					
Administration budget*	-351	-	219,041		219,041
Near-cash in RDEL	6,304	6,940	282,861	44,188	327,049
Capital**	80,756	-	137,557	50	137,607
Less Depreciation†	-	-	-23,364	-	-23,364
Total	86,260	6,940	428,342	44,238	472,580

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
104,060

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR/Section	Service	£'000
RfR1 - A	Pension payments	8
RfR1 - C3	Grants to certain national organisations working in the voluntary sector to promote voluntary activity or community development and to support innovatory projects etc	34,029
RfR1 - C3	National Council for Voluntary Organisations	975
RfR1 - C3	Grants to Women's Royal Voluntary Service	2,333
RfR1 - C3	Grants to voluntary organisations and other bodies for the reception and settlement of	14,265
RfR1 - C3	Futurebuilders	45,800
RfR1 - C3	Capacity Builders - NDPB	37,298
		134,708

Notes to the Estimate (*continued*)**Grants in Aid**

RfR/Section	Body	£ '000
RfR1 - A	Civil Service Benevolent Fund	500
RfR1 - A	Civil Service Sports Council	1,332
RfR1 - A	Civil Service Retirement Fellowship	265
RfR1 - G	Capacity Builders Agency - NDPB	37,298
	Total	<hr/> 39,395

Security and Intelligence Agencies

Introduction

1.	This Supplementary Estimate is required for the following purposes:	Amount £
	<u>Changes in resources</u>	
	RfR 1: Protecting and promoting the national security and economic well being of the UK	
	Increases:	
	<u>Take up of End-Year Flexibility (EYF)</u>	
1	£19,000,000 Administration, £5,000,000 Programme for the expansion and capability of the Security and Intelligence Agencies.	24,000,000
	<u>Transfer of budget cover from Other Government Departments (OGDs)</u>	
2	Transfer from FCO for £ 200,000 Prog for Good Governance Programmes.	200,000
3	Transfer from FCO for £ 74,000 Programme for Good Governance Programmes.	74,000
4	Transfer from MOD for £ 750,000 for Administration for the expansion and capability of the Security and Intelligence Agencies.	750,000
	<u>Other increases</u>	
6	Reserve Claim for expansion of capability £ 31,469,000 administration, £ 14,531,000 Programme (of which £ 6,500,000 will become administration unallocated provision) for the expansion and capability of the Security and Intelligence Agencies.	46,000,000
7	Reserve Claim PBR money £ 3,000,000 administration, £ 13,100,000 programme for the expansion and capability of the Security and Intelligence Agencies.	16,100,000
	Decreases:	
	<u>Transfer of budget cover to Other Government Departments (OGDs)</u>	
1	Transfer to Foreign and Commonwealth Office £ 190,000 Programme for Good Governance Programmes.	-190,000
2	Transfer to Cabinet Office £ 5,300,000 Programme for Joint Security and Intelligence Projects.	-5,300,000
3	Transfer to Cabinet Office £ 5,000,000 Programme for Joint Security and Intelligence Projects.	-5,000,000
4	Transfer to Cabinet Office £ 1,681,000 Programme for Joint Security and Intelligence Projects.	-1,681,000
	<u>Transfer to Non-voted</u>	
5	Transfer of £ 6,500,000 to Administration Departmental Unallocated Provision (DUP) to cover funds previously drawn down as EYF in Winter Supplementary.	-6,500,000
	Neutral Changes:	
	<u>Decreased spending offset by decreased income</u>	
1	Decrease in administration A in A of £ 3,945,000 offset by a decrease in administration expenditure.	
3	£ 6,710,000 conversion of programme non-cash to near cash for the expansion and capability of the Security and Intelligence Agencies.	
	<u>Increased spending offset by increased income</u>	
5	An increase in programme appropriations in aid of £ 7,285,000 offset by an increase in programme expenditure.	

- 6 A decrease of £ 600,000 administration appropriations in aid which is offset by a decrease in administration expenditure of £ 600,000.
- 7 Switch of administration spending into programme £ 45,000.

Total change in resources for RfR1 68,453,000

Total change in resources for Estimate 68,453,000

Changes in capital

Take up of End-Year Flexibility (EYF)

- 1 Take up of £ 500,000 capital EYF for the expansion and capability of the Security and Intelligence Agencies. 500,000

Other increases

- 2 Take up of £ 1,100,000 reserve PBR claim for the expansion and capability of the Security and Intelligence Agencies. 1,100,000

Decreases

- 1 Transfer of £ 8,000,000 to Departmental Unallocated Provision to cover funds previously drawn down in Winter Supplementary. -8,000,000

Neutral changes

- 2 Increase in non-operating appropriations in aid of £ 1,193,000 offset by an increase in capital expenditure.

Total change in capital for Estimate -6,400,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £73,025,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Protecting and promoting the national security and economic well being of the UK	68,453,000
Total additional net resource requirement	68,453,000
Additional net cash requirement	73,025,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Security and Intelligence Agencies on:

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **Cabinet Office** will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Protecting and promoting the national security and economic well being of the UK

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A Security and Intelligence Agencies	1,378,883	71,193	2,740	68,453	1,447,336
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Total RfR 1		71,193	2,740	68,453	
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Total Changes to RfRs		71,193	2,740	68,453	
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£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	273,559	-5,207	268,352
Non-Operating A in A	669	984	1,653
Net cash requirement	1,442,630	73,025	1,515,655

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Protecting and promoting the national security and economic well being of the UK								
860,416	675,920	-	1,536,336	89,000	1,447,336	268,352	1,653	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Security and Intelligence Agencies								
860,416	675,920	-	1,536,336	89,000	1,447,336	268,352	1,653	
Total for Estimate:								
860,416	675,920	-	1,536,336	89,000	1,447,336	268,352	1,653	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	1,378,883	68,453	1,447,336
Voted capital items			
Capital	273,559	-5,207	268,352
<i>Less:</i> Non-operating A in A	669	984	1,653
Total net voted capital	272,890	-6,191	266,699
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-29,775	-2,734	-32,509
Depreciation	-157,313	6,901	-150,412
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	71	-280	-209
Prior period adjustments	-	-	-
Other non-cash items	-41,238	6,320	-34,918
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	19,112	556	19,668
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-209,143	10,763	-198,380
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,442,630	73,025	1,515,655

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	801,199
Total Net Administration Costs	801,199
Net Programme Costs	
RfR1	646,137
Total Net Programme costs	646,137
Total Net Operating Cost	1,447,336
<i>of which:</i>	
Net Resource Requirement	1,447,336
Non-voted expenditure	14,500
Consolidated Fund Extra Receipts	-
Resource Budget	1,461,836

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	1,447,336
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	1,447,336
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	14,500
Other adjustments	-
Resource Budget (Budget)	1,461,836
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,461,836
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	266,699
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-209
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	8,000
Other adjustments	-
Capital Budget (Budget)	274,490
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	274,490
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1	Sir Richard Mottram, Co-ordinator of the Security and Intelligence Committee
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Sir Richard Mottram as the Accounting Officer of the Security and Intelligence Agencies has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Security and Intelligence Agencies.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2006-07
Provision

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration	59,217
<i>of which:</i>	
Sale of goods and services	59,217
Programme	29,783
<i>of which:</i>	
Sale of goods and services	29,783

Total RfR1	89,000 †
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† Amount that may be applied as appropriation in aid in addition to the net total, arising from: the sales of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services.

Total Operating A in A	89,000
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Analysis of non -operating appropriations in aid (A in A)

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration	-
<i>of which:</i>	
Sale of goods and services	-
Programme	1,653
<i>of which:</i>	
Sale of assets	1,653

Total RfR1	1,653 †
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† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of fixed assets and from the sale of freehold interest and land.

Total Non - operating A in A	1,653
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	68,453	-6,500	1,447,336	14,500	1,461,836
<i>of which:</i>					
<i>Administration budget*</i>	50,519	-6,500	801,199	6,500	807,699
<i>Near-cash in RDEL</i>	38,290	-6,500	1,174,601	14,500	1,189,101
Capital**	-6,400	8,000	266,490	8,000	274,490
Less Depreciation†	-	-	-150,412	-	-150,412
Total	62,053	1,500	1,563,414	22,500	1,585,914

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000
90,653

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

Cabinet Office: Civil superannuation

Introduction

1. This Supplementary Estimate is required for the following purposes:
- | | Amount £ |
|--|------------------|
| RfR 1: Civil superannuation | |
| Increases: | |
| <u>Change in AME forecasts</u> | |
| 1 To increase gross provision by £29,000,000 for the provision of pension and other payments to members of the Principal Civil Service Pension Scheme and other pension schemes. | 29,000,000 |
| Decreases: | |
| <u>Other decreases</u> | |
| 1 Increase in appropriations in aid of £23,000,000 in respect of higher than expected pension contributions | -23,000,000 |
| Total change in Estimate | 6,000,000 |
2. As a result of the above and associated non-cash adjustments, there is no change in the net cash requirement.
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR 1: Civil superannuation	6,000,000
Total additional net resource requirement	6,000,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Cabinet Office on:

RfR 1: Civil superannuation

The superannuation of civil servants; pensions etc., and other pensions and non-recurrent payments; and for other related services and associated non-cash items.

The **Cabinet Office** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Civil superannuation					
Spending in Annually Managed Expenditure (AME)					
<i>Central government spending</i>					
RfR 1 - A Civil superannuation	6,044,596	29,000	23,000	6,000	6,050,596
Total RfR 1		29,000	23,000	6,000	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	830,000	-	830,000

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Civil superannuation								
-	-	9,346,504	9,346,504	3,295,908	6,050,596	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Civil superannuation								
-	-	9,346,504	9,346,504	3,295,908	6,050,596	-	-	
Total for Estimate:								
-	-	9,346,504	9,346,504	3,295,908	6,050,596	-	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	6,044,596	6,000	6,050,596
Voted capital items			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-9,308,504	-29,000	-9,337,504
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	40,000	23,000	63,000
Increase(-)/decrease (+) in creditors	137,938	-	137,938
Use of provisions	3,915,970	-	3,915,970
Total accruals to cash adjustments	-5,214,596	-6,000	-5,220,596
Excess cash to be CFERd	-	-	-
Net cash requirement	830,000	-	830,000

Part III: Extra receipts payable to the Consolidated Fund

In addition to Appropriations in aid, the following income and receipts relate to the department and is payable to the Consolidated Fund (cash receipts being shown in italics):

£'000

As in existing provision

Forecast Combined Revenue Account

	£'000
	2006-07 provision
Income	
Contributions received	3,070,908
Transfers in	145,000
Other income receivable	80,000
Total Income	3,295,908
Expenditure	
Increase in liability	3,829,504
Interest on scheme liability	5,508,000
Other expenditure	9,000
Total Expenditure	9,346,504
Total Net Operating Cost	6,050,596
<i>of which:</i>	
Net Resource Outturn	6,050,596
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	6,050,596

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Outturn (Estimates)	6,050,596
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	6,050,596
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	6,050,596
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	6,050,596

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 Sir Gus O'Donnell, Permanent Head of the Cabinet Office

Sir Gus O'Donnell, as the Accounting Officer (AO) of the Cabinet Office has personal responsibility for the the proper presentation of the Cabinet Office: Civil Superannuation's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The AO as the permanent head in addition to the responsibilities for an assigned RfR, remains in general overall charge of the Cabinet Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07
	<u>Provision</u>
RfR 1: Civil superannuation	
Pension scheme related income	3,295,908
Total RfR 1	3,295,908 †

† Amount that may be applied as appropriations in aid in addition to the net total, arising from: charges received from departments and others on account of the cost of pension cover provided for their staff; periodical contributions for widows', widowers' and dependants' benefits, other superannuation contributions and transfer values and bulk transfer value receipts.

Notes to the Estimate (*continued*)

Cash which may be retained to offset expenditure**£'000**

3,295,908

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

National School of Government

Introduction

1. This Supplementary Estimate is required for the following purposes:

Amount £

Changes in resources

RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government

Increases:

Take up of End Year Flexibility (EYF)

Take up of EYF as a result of NSG's transfer from the Cabinet Office	1,636,000
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Total change in resources for RfR1	1,636,000
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Total change in resources for Estimate	1,636,000
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Changes in capital

Total change in capital for Estimate	-
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2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £1,636,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	1,636,000
Total additional net resource requirement	1,636,000
Additional net cash requirement	1,636,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the National School of Government on:

RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government

Administration and the associated non-cash costs incurred in the management of the National School of Government.

The National School of Government will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	640	1,636	-	1,636	2,276
Total RfR 1		1,636	-	1,636	
Total Changes to RfRs		1,636	-	1,636	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	1,271	-	1,271
Non-Operating A in A	-	-	-
Net cash requirement	841	1,636	2,477

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government								
32,276	-	-	32,276	30,000	2,276	1,271	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
32,276	-	-	32,276	30,000	2,276	1,271	-	
Total for Estimate:								
32,276	-	-	32,276	30,000	2,276	1,271	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000 Revised</u>
Net Resource Requirement	640	1,636	2,276
Voted capital items			
Capital	1,271	-	1,271
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	1,271	-	1,271
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-500	-	-500
Depreciation	-570	-	-570
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,070	-	-1,070
Excess cash to be CFERd	-	-	-
Net Cash Requirement	841	1,636	2,477

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	<u>2,276</u>
Total Net Administration Costs	2,276
Net Programme Costs	
RfR1	<u>-</u>
Total Net Programme costs	-
Total Net Operating Cost	2,276
<i>of which:</i>	
Net Resource Requirement	2,276
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	2,276

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	2,276
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	2,276
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	2,276
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,276
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	1,271
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	1,271
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,271
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1 David Spencer, Permanent Head of Department

David Spencer as the Accounting Officer of the National School of Government has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the National School of Government.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	
Administration	30,000
<i>of which:</i>	
Sale of goods and services	30,000
Total RfR1	30,000 †
† Amount that may be applied as appropriation in aid in addition to the net total, arising from: income from courses	
Total Operating A in A	30,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,636	-	2,276	-	2,276
<i>of which:</i>					
<i>Administration budget*</i>	1,636	-	2,276	-	2,276
<i>Near-cash in RDEL</i>	-	-	2,476	-	2,476
Capital**	-	-	1,271	-	1,271
Less Depreciation†	-	-	-570	-	-570
Total	1,636	-	2,977	-	2,977

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

£'000
30,000

Privy Council Office

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in resources</u>	
RfR 1: Ensuring the orderly conduct of Privy Council Office business	
Increases:	
<u>Take up of End Year Flexibility</u>	
Increase in administration costs (subhead A1) for provision for early departure costs.	311,000
Neutral changes:	
<u>Increase in spending offset by additional appropriations in aid</u>	
Increase of £130,000 in administration costs (subhead A1), offset by an increase in appropriations in aid (subhead A5).	-
Total change in resources for RfR1	311,000
Total change in resources for Estimate	311,000

2. As a result of the above and any non-cash adjustments, there is no change in the net cash requirement.

3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Ensuring the orderly conduct of Privy Council Office business**311,000**

Total additional net resource requirement

311,000

Additional net cash requirement

-

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Privy Council Office on:

RfR 1: Ensuring the orderly conduct of Privy Council Office business

Administration and associated non-cash items

The Privy Council Office will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Ensuring the orderly conduct of Privy Council Office business					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	6,767	441	130	311	7,078
Total RfR 1		441	130	311	
Total Changes to RfRs		441	130	311	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	127	-	127
Non-Operating A in A	-	-	-
Net cash requirement	8,357	-	8,357

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Ensuring the orderly conduct of Privy Council Office business								
7,248	-	-	7,248	170	7,078	127	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
7,248	-	-	7,248	170	7,078	127	-	
Total for Estimate:								
7,248	-	-	7,248	170	7,078	127	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	6,767	311	7,078
Voted capital items			
Capital	127	-	127
<i>Less:</i> Non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	127	-	127
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-10	-	-10
Depreciation	-38	-	-38
New provisions and adjustments to previous provisions	-	-311	-311
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-34	-	-34
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	1,513	-	1,513
Use of provisions	<u>32</u>	<u>-</u>	<u>32</u>
Total accruals to cash adjustments	1,463	-311	1,152
Excess cash to be CFERd	-	-	-
Net Cash Requirement	8,357	-	8,357

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	7,078
Total Net Administration Costs	7,078
Net Programme Costs	
RfR1	-
Total Net Programme costs	-
Total Net Operating Cost	7,078
<i>of which:</i>	
Net Resource Requirement	7,078
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	7,078

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	7,078
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	
Net Operating Costs (Accounts)	7,078
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	7,078
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	7,078
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	127
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	127
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	127
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the Government Resources and Accounts Act 2000 the Treasury has made the following temporary Accounting Officer appointments for the Requests for Resources within this Estimate.

Request for Resources 1

Ceri King, Director of Corporate Services

Ceri King, as the temporary Accounting Officer of the Privy Council Office, has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Privy Council Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2006-07 Provision
RfR 1: Ensuring the orderly conduct of Privy Council Office business	
Administration	170
<i>of which:</i>	
Sale of goods and services	170
Programme	-
<i>of which:</i>	
Sale of goods and services	-
Total RfR1	170 †
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: fees levied in respect of appeals and other proceedings before the Judicial Committee of the Privy Council; and other income from sales of goods and services.	
Total Operating A in A	170

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	311	-	7,078	-	7,078
<i>of which:</i>					
<i>Administration budget*</i>	311	-	7,078	-	7,078
<i>Near-cash in RDEL</i>	-	-	6,717	-	6,717
Capital**	-	-	127	-	127
Less Depreciation†	-	-	-38	-	-38
Total	311	-	7,167	-	7,167

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	170

House of Lords

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in capital</u>	
Increases:	
<u>Other increases</u>	
Increased capital expenditure (subhead B7) due to reclassification of certain expenditure from resources to capital.	6,639,000
Total change in capital for Estimate	6,639,000

2. As a result of the above and associated non-cash adjustments, there is a token increase in the net cash requirement.
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR 1: Members' expenses and administration, etc.	-
Total additional net resource requirement	-
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the House of Lords on:

RfR 1: Members' expenses and administration, etc.

Members' expenses, administrative and accommodation costs, including staff salaries and pensions, security, stationery, printing, financial assistance to opposition parties, a grant in aid to the History of Parliament Trust, and associated non-cash items.

The **House of Lords Administration** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Members' expenses and administration, etc.					
Total RfR 1	-	-	-	-	-
Total Changes to RfRs	-	-	-	-	-

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	6,226	6,639	12,865
Non-Operating A in A	-	-	-
Net cash requirement	82,545	1	82,546

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Members' expenses and administration, etc.								
-	113,364	6,453	119,817	6,229	113,588	12,865	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	62,206	4,056	66,262	5,020	61,242	1,190	-	
B Works Services								
-	53,028	-	53,028	1,209	51,819	11,675	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C Administration								
-	-1,870	2,397	527	-	527	-	-	
Total for Estimate:								
-	113,364	6,453	119,817	6,229	113,588	12,865	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	113,588	-	113,588
Voted capital items			
Capital expenditure	6,226	6,639	12,865
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	6,226	6,639	12,865
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-18,772	-	-18,772
Depreciation	-13,250	-	-13,250
New provisions and adjustments to previous provisions	-6,122	-	-6,122
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-135	-	-135
Increase(+)/decrease (-) in stock	20	-	20
Increase(+)/decrease (-) in debtors	-50	-	-50
Increase(-)/decrease (+) in creditors	-1,574	-	-1,574
Use of provisions	2,614	-	2,614
Total accruals to cash adjustments	-37,269	-	-37,269
Excess cash to be CFERd	-	-	-
Adjustment to net cash requirement	-	-6,638	-6,638
Net cash requirement	82,545	1	82,546

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07
	provision
Net Administration Costs	
RfR 1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR 1	106,949
Total Net Programme costs	106,949
Total Net Operating Cost	106,949
<i>of which:</i>	
Net Resource Requirement	113,588
CFERs	-
Non-voted expenditure	-
Resource Budget	106,949

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07
	Provision
Net Resource Requirement (Estimates)	113,588
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Reduction to reflect underspending	-6,639
Net Operating Costs (Accounts)	106,949
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	106,949
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	106,422
Annually Managed Expenditure (AME)	527

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07
	Provision
Net Voted Capital (Estimates)	12,865
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	12,865
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	12,865
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Clerk of the Parliaments is appointed by Her Majesty by Letters Patent and is ex-officio Accounting Officer for the Request for Resources within the House of Lords Estimate.

Request for Resources 1

Paul Hayter, Clerk of the Parliaments

Paul Hayter, as the Principal Accounting Officer (PAO) of the House of Lords has personal responsibility for the proper presentation of the House of Lords' resource accounts and their transmission to the Comptroller and Auditor General. In addition to the responsibilities for the assigned RFR, the PAO remains in general overall charge of the House of Lords administration.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the House of Lords' policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	<u>2006-07 Provision</u>
RfR 1: Members' expenses and administration, etc.	
Administration	-
<i>of which:</i>	
Sale of goods and services	-
Programme	6,229
<i>of which:</i>	
Sale of goods and services	5,219
Pension scheme income	1,010
Total RfR1	6,229 †
† Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: judicial proceedings; private bills; taxation of costs; reproduction of works of art; fees; refreshment department sales; rental income; and other charges.	
Total Operating A in A	6,229

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-6,639	-	106,422	-	106,422
<i>of which: *</i>					
<i>Administration budget</i>	-	-	-	-	-
<i>Near-cash in RDEL</i>	-6,639	-	75,309	-	75,309
Capital**	6,639	-	12,865	-	12,865
Less Depreciation†	-	-	-13,250	-	-13,250
Total	-	-	106,037	-	106,037

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	£'000
	6,229

House of Commons: Members

Introduction

1. This Supplementary Estimate is required for the following purposes:

	Amount £
<u>Changes in resources</u>	
RfR 1: Members' salaries, allowances and other costs	
Increases:	
Additional programme spending (subhead A2) to reflect:	10,000,000
(i) increases for the level of claims made against Members' allowances being higher than originally forecast;	
(ii) increases for an actuarial adjustment to the funded pension scheme;	
(iii) increases for timetable adjustments on the IT refresh programme.	
Total change in resources for RfR1	10,000,000
Total change in resources for Estimate	10,000,000

Changes in capital

Increases:	
Costs associated with the IT refresh programme (subhead A7).	1,000,000
Total change in capital for Estimate	1,000,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £8,700,000.

3. Symbols are explained in the Introduction to this booklet.

Part I

	£
RfR 1: Members' salaries, allowances and other costs	10,000,000
Total additional net resource requirement	10,000,000
Additional net cash requirement	8,700,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the House of Commons: Members on:

RfR 1: Members' salaries, allowances and other costs

Remunerating and supporting the Members of the House of Commons in discharging their duties and responsibilities in the constituency, in Parliament and elsewhere by funding: payment of parliamentary salaries and associated pension contributions; reimbursement of certain expenses incurred by Members (including travel, office costs, staff and equipment); payment for insurance; central provision of IT equipment; provision of training for Members and their staff; financial assistance to Opposition parties to support them in the discharge of their parliamentary or representative functions; an Exchequer contribution to the Members' Fund; other associated costs; and non-cash items.

The **Clerk of the House of Commons** will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Members' salaries, allowances and other costs					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Members' salaries, allowances and other costs	147,000	10,000	-	10,000	157,000
Total RfR 1		10,000	-	10,000	
Total Changes to RfRs		10,000	-	10,000	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	1,203	1,000	2,203
Non-Operating A in A	3	-	3
Net cash requirement	149,500	8,700	158,200

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Members' salaries, allowances and other costs								
-	150,500	6,500	157,000	-	157,000	2,203	3	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Members' salaries, allowances and other costs								
-	150,500	6,500	157,000	-	157,000	2,203	3	
Total for Estimate:								
-	150,500	6,500	157,000	-	157,000	2,203	3	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	147,000	10,000	157,000
Voted capital items			
Capital	1,203	1,000	2,203
<i>Less:</i> Non-operating A in A	3	-	3
Total net voted capital	1,200	1,000	2,200
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	5,000	-	5,000
Depreciation	-700	-200	-900
New provisions and adjustments to previous provisions	-2,900	-2,100	-5,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-100	-	-100
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	1,300	-2,300	-1,000
Excess cash to be CFERd	-	-	-
Net Cash Requirement	149,500	8,700	158,200

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	157,000
Total Net Programme costs	157,000
Total Net Operating Cost	157,000
<i>of which:</i>	
Net Resource Requirement	157,000
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	157,000

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	157,000
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	157,000
<i>Adjustments to remove:</i>	
capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	157,000
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	157,000
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	2,200
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	2,200
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,200
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Clerk of the House of Commons , Dr M R Jack, has been appointed as Accounting Officer for the House of Commons: Members Estimate by the Speaker.

The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the House's assets are broadly in line with those set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting* .

Notes to the Estimate (*continued*)

Analysis of non-operating appropriations in aid (A in A)

	£'000
	<u>2006-07 Provision</u>
RfR 1: Members' salaries, allowances and other costs	
Administration	-
<i>of which:</i>	
Programme	3
<i>of which:</i>	
Sale of assets	3
Total RfR1	3 †
† Amount that may be applied as non operating appropriations in aid arising from: the sale of of IT equipment.	
Total Non-Operating A in A	3

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	10,000	-	157,000	-	157,000
<i>of which:</i>					
Administration budget*	-	-	-	-	-
Near-cash in RDEL	7,700	-	158,900	-	158,900
Capital**	1,000	-	2,200	-	2,200
Less Depreciation†	-200	-	-900	-	-900
Total	10,800	-	158,300	-	158,300

*The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

**Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

†Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

Cash which may be retained to offset expenditure

£'000

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

3

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