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# Central Government Supply Estimates 2005–06

## Spring Supplementary Estimates

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February 2006

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# Central Government Supply Estimates

## 2005–06

for the year ending 31 March 2006

### Spring Supplementary Estimates

*Presented by Command of Her Majesty  
Ordered by the House of Commons to be printed  
14th February 2006*

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**TREASURY CHAMBERS**  
**14 February 2006**

**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 2*) presented to Parliament on 25 May 2005.

### 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 three regular 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 any 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 25 May 2005 and winter Supplementary Estimates were presented on 17 November 2005.

4. The spring Supplementary Estimates presented to Parliament in this booklet and in HC 908 increase resources by **£9,946,427,000** to **£448,908,321,000** and cash by **£7,637,727,000** to **£364,872,412,000**.

<b>Table 1.1 Total Estimates to date</b>		<b>£ million</b>
	<b>Resources</b>	<b>Cash</b>
Main Estimates ( <i>HC 2, 3, 4 and 5 of 2005–06</i> )	435,778	352,557
Winter Supplementary Estimates ( <i>HC 672</i> )	3,184	4,678
Spring Supplementary Estimates ( <i>HC 827, 908</i> ) (Section 2 of these booklets)	9,946	7,638
<b>Total</b>	<b>448,908</b>	<b>364,872</b>

5. There are 40 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) 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 2005 (Cm 6521)* and in Section 2 of *Central Government Supply Estimates: Main Estimates 2005–06 Supplementary Budgetary Information (Cm 6489)*.

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, £3,759 million will be charged to the DEL Reserve. Of this, £1,882 million relates to partial take up of the end year flexibility entitlements shown in **Table 6** of the *Public Expenditure Outturn White Paper 2004–05 (Cm 6639)* published on 20 July 2005.

<b>Table 1.2 Expenditure within the main control aggregates</b>		<b>£ million</b>
	<b>Resources</b>	<b>Capital</b>
Change in DEL	3,672	555
Change in AME	26,533	—
Change in non-budget spending	4,182	—
<b>Total</b>	<b>34,387</b>	<b>555</b>

#### **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 DELs, capital and resource, for 2005–06 were set out in Section 2 of *Central Government Supply – Estimates 2005–06 – Supplementary Budgetary Information (Cm 6489)*. The presumption is that DELs, once set, will not be changed (other than for transfer of provision between DELs), even if there are unexpected fluctuations in costs or other determinants of expenditure.

10. Aside from transfers, 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 Tables 2.3 of *Cm 6489* and amended in Table 1.5 of *HC 672*.

- 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 any New or Revised, Estimates following detailed examination by departmental Select Committees. This process is described more fully in Section 4 of *HC 2*.
- Format of Supplementary Estimates** 14. Each Supplementary Estimate begins with an explanatory introduction explaining why changes to existing provision are being sought. The format and organisation of Estimates are explained more fully in Section 2 of *HC 2*.
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 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 resource-based 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 in Resource Budget: DEL or Capital Budget: DEL in respect of income from capital receipts including assets sales and which are, 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 in Resource Budget: AME or Capital Budget: AME and which are, 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 “non-budget” 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

RfR Service	Present net provision	Resources Increase proposed	New net provision	Present requirement	Cash Increase proposed	New requirement
<b>Department for Education and Skills</b>	<b>29,382,627</b>	<b>379,542</b>	<b>29,762,169</b>	<b>31,684,613</b>	<b>184,183</b>	<b>31,868,796</b>
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	28,007,734	259,874	28,267,608			
2 Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,179,640	141,864	1,321,504			
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	195,253	-22,196	173,057			
<b>Teachers' Pension Scheme (England &amp; Wales)</b>	<b>22,222,172</b>	<b>1</b>	<b>22,222,173</b>	<b>1,174,536</b>	<b>1</b>	<b>1,174,537</b>
1 Teachers' pensions	22,222,172	1	22,222,173			
<b>Department of Health</b>	<b>61,323,695</b>	<b>1,785,769</b>	<b>63,109,464</b>	<b>60,019,627</b>	<b>2,364,998</b>	<b>62,384,625</b>
1 Securing health care for those who need it	57,771,618	1,782,876	59,554,494			
2 Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,542,077	-4,907	3,537,170			
3 Office of the Independent Regulator for NHS Foundation Trusts	10,000	7,800	17,800			
<b>National Health Service Pension Scheme</b>	<b>25,515,591</b>	<b>1,276,813</b>	<b>26,792,404</b>	<b>1</b>	<b>-</b>	<b>1</b>
1 National Health Service Pension Scheme	25,515,591	1,276,813	26,792,404			
<b>Food Standards Agency</b>	<b>143,777</b>	<b>1</b>	<b>143,778</b>	<b>141,616</b>	<b>1,951</b>	<b>143,567</b>
1 Protecting and promoting public health in relation to food	143,777	1	143,778			
<b>Department for Transport</b>	<b>11,930,044</b>	<b>256,563</b>	<b>12,186,607</b>	<b>10,814,085</b>	<b>-</b>	<b>10,814,085</b>
1 Promoting modern, integrated and safe transport and providing customer-focussed regulation	11,930,044	256,563	12,186,607			
<b>Office of Rail Regulation</b>	<b>2,001</b>	<b>500</b>	<b>2,501</b>	<b>6,097</b>	<b>-</b>	<b>6,097</b>
1 To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation	2,001	500	2,501			
<b>Office of the Deputy Prime Minister</b>	<b>55,834,247</b>	<b>122,454</b>	<b>55,956,701</b>	<b>55,982,763</b>	<b>102,904</b>	<b>56,085,667</b>
1 Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	8,607,497	106,069	8,713,566			
2 Providing for effective devolved decision making within a national framework	47,226,750	16,385	47,243,135			
<b>Home Office</b>	<b>13,387,658</b>	<b>72,481</b>	<b>13,460,139</b>	<b>13,546,410</b>	<b>65,165</b>	<b>13,611,575</b>
1 Building a safe, just and tolerant society	13,387,658	72,481	13,460,139			
<b>Charity Commission</b>	<b>32,153</b>	<b>250</b>	<b>32,403</b>	<b>32,332</b>	<b>250</b>	<b>32,582</b>
1 Giving the public confidence in the integrity of charity	32,153	250	32,403			

<b>Table 1.3 Supplementary Estimates by department (Continued)</b>						<b>£'000s</b>
<b>RfR Service</b>	<b>Present net provision</b>	<b>Resources Increase proposed</b>	<b>New net provision</b>	<b>Present requirement</b>	<b>Cash Increase proposed</b>	<b>New requirement</b>
<b>Department for Constitutional Affairs</b>	<b>35,060,975</b>	<b>350,152</b>	<b>35,411,127</b>	<b>34,959,035</b>	<b>267,372</b>	<b>35,226,407</b>
1 To promote the development of a modern, fair, cost effective and efficient system of justice for all	3,496,337	122,194	3,618,531			
2 Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	20,942,671	–	20,942,671			
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	10,621,967	227,958	10,849,925			
<b>Department for Constitutional Affairs: Judicial Pensions Scheme</b>	<b>164,076</b>	<b>1,595</b>	<b>165,671</b>	<b>1</b>	<b>–</b>	<b>1</b>
1 Judicial Pensions Scheme	164,076	1,595	165,671			
<b>Northern Ireland Court Service</b>	<b>109,654</b>	<b>10,523</b>	<b>120,177</b>	<b>104,479</b>	<b>5,159</b>	<b>109,638</b>
1 Supporting the effective and efficient administration of justice in Northern Ireland	109,654	10,523	120,177			
<b>The National Archives: Public Record Office and Historical Manuscripts Commission</b>	<b>39,394</b>	<b>3,723</b>	<b>43,117</b>	<b>35,044</b>	<b>4,407</b>	<b>39,451</b>
1 Promoting the study of the past in order to inform the present and 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	39,394	3,723	43,117			
<b>The Crown Prosecution Service</b>	<b>599,469</b>	<b>14,102</b>	<b>613,571</b>	<b>599,512</b>	<b>23,708</b>	<b>623,220</b>
1 Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	599,469	14,102	613,571			
<b>HM Procurator General and Treasury Solicitor</b>	<b>13,774</b>	<b>431</b>	<b>14,205</b>	<b>15,356</b>	<b>1,181</b>	<b>16,537</b>
1 Providing comprehensive and competitive legal services to government departments and publicly funded bodies	13,774	431	14,205			
<b>Ministry of Defence</b>	<b>35,062,706</b>	<b>1,776,067</b>	<b>36,838,773</b>	<b>29,612,178</b>	<b>1,889,814</b>	<b>31,501,992</b>
1 Provision of defence capability	33,948,194	716,331	34,664,525			
2 Conflict prevention	45,540	1,055,736	1,101,276			
3 War Pensions and Allowances, etc	1,068,972	4,000	1,072,972			
<b>Armed Forces Retired Pay, Pensions etc</b>	<b>14,458,544</b>	<b>1</b>	<b>14,458,545</b>	<b>1,723,220</b>	<b>–</b>	<b>1,723,220</b>
1 Armed Forces retired pay, pensions etc	14,458,544	1	14,458,545			
<b>Foreign and Commonwealth Office</b>	<b>1,794,817</b>	<b>224,407</b>	<b>2,019,224</b>	<b>1,740,076</b>	<b>226,434</b>	<b>1,966,510</b>
1 Promoting internationally the interests of the UK and contributing to a strong world community	1,546,881	113,622	1,660,503			
2 Conflict prevention	247,936	110,785	358,721			
<b>Department for International Development</b>	<b>3,876,029</b>	<b>62,621</b>	<b>3,938,650</b>	<b>3,818,763</b>	<b>54,011</b>	<b>3,872,774</b>
1 Eliminating poverty in poorer countries delivering justice and the rule of law	3,828,479	62,121	3,890,600			
2 Conflict prevention	47,550	500	48,050			
<b>Department of Trade and Industry</b>	<b>10,653,536</b>	<b>445,856</b>	<b>11,099,392</b>	<b>7,786,874</b>	<b>357,437</b>	<b>8,144,311</b>
1 Increasing UK competitiveness	7,513,422	445,855	7,959,277			
2 Increasing Scientific Excellence in the UK and maximising its contribution to society	3,140,114	1	3,140,115			
<b>Department of Trade and Industry: UKAEA pension schemes</b>	<b>595,583</b>	<b>10,924</b>	<b>606,507</b>	<b>132,120</b>	<b>4,428</b>	<b>136,548</b>
1 Effective management of UKAEA pension schemes	595,583	10,924	606,507			
<b>Office of Fair Trading</b>	<b>57,116</b>	<b>487</b>	<b>57,603</b>	<b>55,401</b>	<b>1,662</b>	<b>57,063</b>
1 Advancing and safeguarding the economic interests of UK consumers	57,116	487	57,603			

<b>Table 1.3 Supplementary Estimates by department (Continued)</b>							<b>£'000s</b>
<b>RfR Service</b>	<b>Present net provision</b>	<b>Resources Increase proposed</b>	<b>New net provision</b>	<b>Present requirement</b>	<b>Cash Increase proposed</b>	<b>New requirement</b>	
<b>Department for Environment, Food and Rural Affairs</b>	<b>5,699,471</b>	<b>246,656</b>	<b>5,946,127</b>	<b>5,637,160</b>	<b>302,133</b>	<b>5,939,293</b>	
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 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	5,699,471	246,656	5,946,127				
<b>Office of Water Services</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>507</b>	<b>–</b>	<b>507</b>	
1 Regulation of the Water Industry	2	1	3				
<b>Department for Culture, Media and Sport</b>	<b>4,168,349</b>	<b>4,997</b>	<b>4,173,346</b>	<b>4,170,370</b>	<b>6,197</b>	<b>4,176,567</b>	
1 Improving the quality of life through cultural and sporting activities	1,508,349	4,997	1,513,346				
2 Broadening access to a rich and varied cultural and sporting life through home broadcasting	2,660,000	–	2,660,000				
<b>Department for Work and Pensions</b>	<b>61,839,530</b>	<b>1,252,950</b>	<b>63,092,480</b>	<b>62,567,449</b>	<b>1,567,204</b>	<b>64,134,653</b>	
1 Ensuring the best start for all children and ending child poverty in 20 years	341,630	68,582	410,212				
2 Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	34,516,445	1,025,411	35,541,856				
3 Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	10,653,632	132,093	10,785,725				
4 Improve the rights and opportunities for disabled people in a fair and inclusive society	14,193,419	18,546	14,211,965				
5 Corporate contracts, support services	2,134,404	8,318	2,142,722				
<b>Northern Ireland Office</b>	<b>11,419,524</b>	<b>51,704</b>	<b>11,471,228</b>	<b>11,444,523</b>	<b>28,295</b>	<b>11,472,818</b>	
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	1,282,523	51,704	1,334,227				
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 Northern Ireland Act 2000	10,137,001	–	10,137,001				
<b>HM Treasury</b>	<b>319,538</b>	<b>1</b>	<b>319,539</b>	<b>216,384</b>	<b>8,462</b>	<b>224,846</b>	
1 Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life with economic and employment opportunities for all	241,303	-14,651	226,652				
2 Cost effective management of the supply of coins and actions to protect the integrity of coinage	36,482	-235	36,247				
3 Obtaining the best value for money from Government's commercial relationships on a sustainable basis	41,753	14,887	56,640				
<b>HM Revenue and Customs</b>	<b>14,732,521</b>	<b>60,636</b>	<b>14,793,157</b>	<b>15,487,749</b>	<b>44,036</b>	<b>15,531,785</b>	
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	4,528,640	46,672	4,575,312				
2 Growing a contribution to the good management of property where the public interest is involved	1	–	1				
3 Providing payments in lieu of tax relief to certain bodies	90,000	-10,000	80,000				
4 Making payments of rates to Local Authorities on behalf of certain bodies	35,418	–	35,418				
5 Payments of Child benefits and Child Trust Fund endowments	10,078,462	23,964	10,102,426				

Table 1.3 Supplementary Estimates by department (Continued)

£'000s

RfR Service	Present net provision	Resources Increase proposed	New net provision	Present requirement	Cash Increase proposed	New requirement
<b>National Savings and Investments</b>	<b>179,794</b>	<b>2,500</b>	<b>182,294</b>	<b>177,673</b>	<b>2,500</b>	<b>180,173</b>
1 Reducing the costs to the taxpayer of government borrowing now and in the future	179,794	2,500	182,294			
<b>Office for National Statistics</b>	<b>160,624</b>	<b>9,478</b>	<b>170,102</b>	<b>164,131</b>	<b>13,913</b>	<b>178,044</b>
1 Providing statistical and registration services	160,624	9,478	170,102			
<b>Government Actuary's Department</b>	<b>1,127</b>	<b>-78</b>	<b>1,049</b>	<b>807</b>	<b>-78</b>	<b>729</b>
1 Providing an actuarial consultancy service	1,127	-78	1,049			
<b>Cabinet Office</b>	<b>226,144</b>	<b>-3,011</b>	<b>223,133</b>	<b>204,589</b>	<b>-4,133</b>	<b>200,456</b>
1 Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	226,144	-3,011	223,133			
<b>Security and Intelligence Agencies</b>	<b>1,191,560</b>	<b>82,102</b>	<b>1,273,662</b>	<b>1,234,988</b>	<b>107,010</b>	<b>1,341,998</b>
1 Protecting and promoting the national security and economic well being of the UK	1,191,560	82,102	1,273,662			
<b>CO: Civil Superannuation</b>	<b>15,293,051</b>	<b>1,383,889</b>	<b>16,676,940</b>	<b>835,000</b>	<b>-</b>	<b>835,000</b>
1 Civil superannuation	15,293,051	1,383,889	16,676,940			
<b>Privy Council Office</b>	<b>4,232</b>	<b>2,477</b>	<b>6,709</b>	<b>3,488</b>	<b>2,523</b>	<b>6,780</b>
1 Ensuring the orderly conduct of Privy Council Office business	4,232	2,477	6,709			
<b>House of Lords</b>	<b>107,856</b>	<b>5,362</b>	<b>113,218</b>	<b>73,191</b>	<b>-</b>	<b>73,191</b>
1 Members' expenses and administration, etc.	107,856	5,362	113,218			
<b>House of Commons Members</b>	<b>152,689</b>	<b>3,000</b>	<b>155,689</b>	<b>151,950</b>	<b>4,600</b>	<b>156,550</b>
1 Members' salaries, allowances and other costs	152,689	3,000	155,689			
<b>House of Commons Administration</b>	<b>280,500</b>	<b>48,500</b>	<b>329,000</b>	<b>161,200</b>	<b>-</b>	<b>161,200</b>
1 House of Commons administrative expenditure	279,298	48,500	327,798			
2 Grants to other bodies	1,202	-	1,202			
<b>Total</b>		<b>9,946,427</b>			<b>7,637,727</b>	

Departmental Expenditure Limits for Department/Group	Resources				Capital			
	DEL change	New DEL	<i>of which</i> <i>Voted</i>	<i>Non voted</i>	DEL change	New DEL	<i>of which</i> <i>Voted</i>	<i>Non voted</i>
Department for Education and Skills (1)	390,798	<b>26,711,431</b>	9,202,503	17,508,928	-126,130	<b>4,318,999</b>	2,924,681	1,394,318
Department of Health (2)	124,198	<b>75,040,757</b>	75,570,171	-529,414	-10,925	<b>3,808,129</b>	672,563	3,135,566
Department for Transport	756,809	<b>9,562,821</b>	6,275,072	3,287,749	-94,124	<b>3,201,536</b>	1,756,176	1,445,360
Office of Rail Regulation	500	<b>2,501</b>	2,501	-	-	<b>4,800</b>	4,800	-
ODPM Main	-25,858	<b>5,955,821</b>	4,198,885	1,756,936	68,185	<b>3,555,006</b>	1,243,527	2,311,479
ODPM (LG)	1,941	<b>46,292,762</b>	46,187,097	105,665	500	<b>387,850</b>	379,240	8,610
Home Office	19,172	<b>12,780,769</b>	10,849,560	1,931,209	10,876	<b>1,208,907</b>	910,704	298,203
Assets Recovery Agency	-	<b>16,748</b>	16,748	-	-	<b>361</b>	361	-
Charity Commission	250	<b>32,403</b>	32,403	-	-	<b>1,604</b>	1,604	-
Department for Constitutional Affairs (3)	33,282	<b>3,776,049</b>	1,708,144	2,067,905	8,304	<b>179,560</b>	177,531	2,029
Law Officers Departments (4)	13,767	<b>709,270</b>	709,270	-	1,106	<b>16,056</b>	16,056	-
Ministry of Defence	770,794	<b>33,727,344</b>	33,330,552	396,792	259,997	<b>6,798,278</b>	6,797,534	744
Foreign and Commonwealth Office	176,407	<b>2,005,937</b>	1,999,224	6,713	13,719	<b>136,697</b>	135,697	1,000
Department for International Development	46,111	<b>4,498,201</b>	3,869,027	629,174	-	<b>42,000</b>	42,000	-
Department of Trade and Industry (5)	412,078	<b>6,412,222</b>	225,535	6,186,687	164,224	<b>538,630</b>	-214,422	753,052
UK Trade & Investment	-	<b>100,047</b>	100,047	-	-	<b>248</b>	248	-
Export Credits Guarantee Department	-	<b>602</b>	602	-	-	<b>505</b>	505	-
Office of Fair Trading	487	<b>57,492</b>	57,492	-	750	<b>2,148</b>	2,148	-
Office of Gas and Electricity Markets	-	<b>701</b>	701	-	-	<b>950</b>	950	-
Postal Services Commission	-	<b>-499</b>	-499	-	-	<b>650</b>	650	-
Department for the Environment, Food and Rural Affairs	141,701	<b>3,172,902</b>	2,395,367	777,535	45,530	<b>384,230</b>	253,953	130,277
Forestry Commission	-	<b>82,590</b>	79,937	2,653	-	<b>90</b>	790	-700
Office of Water Services	1	<b>2</b>	2	-	100	<b>400</b>	400	-
Department of Culture, Media and Sport	8,248	<b>1,566,226</b>	191,086	1,375,140	14,200	<b>185,046</b>	97,739	87,307
Department for Work and Pensions	58,158	<b>8,588,610</b>	7,409,690	1,178,920	60,100	<b>466,442</b>	456,514	9,928
Scottish Executive	151,958	<b>21,635,158</b>	-	21,635,158	-	<b>1,882,193</b>	-	1,882,193
National Assembly for Wales	203,087	<b>11,511,510</b>	-	11,511,510	41,211	<b>976,282</b>	-	976,282
Northern Ireland Executive	189,357	<b>7,478,140</b>	-	7,478,140	96,668	<b>506,470</b>	-	506,470
Northern Ireland Office	38,958	<b>1,238,246</b>	365,515	872,731	-2,801	<b>63,127</b>	29,657	33,470
HM Treasury	914	<b>256,978</b>	221,592	35,386	-1,745	<b>5,455</b>	5,455	-
HM Revenue & Customs	17,849	<b>4,677,974</b>	4,304,040	356,463	3,400	<b>377,246</b>	374,269	2,977
National Savings and Investment	2,500	<b>182,294</b>	182,294	-	-	<b>500</b>	500	-
Office for National Statistics	178	<b>171,102</b>	171,102	-	-	<b>27,570</b>	21,070	6,500
Government Actuary's Department	-399	<b>728</b>	728	-	200	<b>438</b>	438	-
Cabinet Office (6)	-3,150	<b>223,710</b>	223,710	-	-1,687	<b>23,313</b>	23,313	-
Security and Intelligence Agency	65,502	<b>1,271,262</b>	1,271,262	-	1,977	<b>250,860</b>	244,860	6,000
Privy Council Office	2,327	<b>6,709</b>	6,709	-	54	<b>161</b>	161	-
Office of the Parliamentary Commissioner and Health Service Commissioners	-	<b>22,615</b>	22,458	157	-	<b>3,000</b>	3,000	-
House of Lords	5,916	<b>111,972</b>	111,972	-	-90	<b>4,660</b>	4,660	-
House of Commons, Members salaries	3,000	<b>155,689</b>	155,689	-	1,600	<b>1,948</b>	1,948	-
House of Commons: administration	48,500	<b>326,492</b>	326,492	-	-	<b>12,220</b>	12,220	-
National Audit Office	-	<b>65,894</b>	65,717	177	-	<b>1,480</b>	1,480	-
Electoral Commission	-	<b>24,101</b>	24,101	-	-	<b>664</b>	664	-
<b>Total</b>	<b>3,655,341</b>	<b>290,454,283</b>	<b>211,864,498</b>	<b>78,572,314</b>	<b>555,199</b>	<b>29,376,709</b>	<b>16,385,644</b>	<b>12,991,065</b>

(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 Court 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.

<b>Table 1.5 Central Government Departments: changes in 2005-06 Administration Budgets</b>		<b>£'000</b>	
	<b>Present Administration budgets</b>	<b>Changes in Administration budgets</b>	<b>Revised Administration budgets</b>
Department for Education and Skills	251,748	337	252,085
Department of Health	247,629	484	248,113
Department for Transport	264,558	5,365	269,923
Office of Rail Regulation	2,001	500	2,501
Office of the Deputy Prime Minister	335,358	454	335,812
Home Office	704,526	833	705,359
Charity Commission	32,153	250	32,403
Department for Constitutional Affairs	445,681	10,848	456,529
Northern Ireland Court Service	5,006	-1,750	3,256
The National Archives: Public Record Office and Historical Manuscripts Commission	39,394	3,723	43,117
Crown Prosecution Service	57,953	-415	57,538
HM Procurator General and Treasury Solicitor	10,221	1,348	11,569
Revenue and Customs Prosecutions Office	17,201	-766	16,435
Foreign and Commonwealth Office	796,238	29,439	825,677
Department of Trade and Industry	391,523	-27,917	363,606
Office of Fair Trading	54,696	487	55,183
Department for Environment, Food and Rural Affairs	342,064	30,311	372,375
Department for Culture, Media and Sport	48,970	829	49,799
Department for Work and Pensions	6,059,262	30,335	6,089,597
Northern Ireland Office	94,674	419	95,093
HM Treasury	166,854	-5,313	161,541
HM Revenue and Customs	4,523,288	3,574	4,526,862
National Savings and Investments	179,794	2,500	182,294
Office for National Statistics	170,374	178	170,552
Government Actuary's Department	1,127	-399	728
Cabinet Office	199,401	-3,570	195,831
Security and Intelligence Agencies	638,284	30,914	669,198
Privy Council Office	4,382	2,327	6,709
<b>Total change in Administration Budgets</b>		<b>115,325</b>	



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## **Section 2.**

# **Supplementary Estimates**

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# 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

68,855

In section A £539,000 for Publicity and Research; in section B £3,790,000 for City Technology Colleges; in section D £1,000,000 for Foundation Degrees, in section F £19,946,000 for SFD Costs, ISB and Prison Education; in section I £3,992,000 for Standards Fund. In Non-Budget £39,588,000 for Modernisation of QCA (6,338,000), Higher Education Funding Council for England Science and Research (£33,000,000), Adult Learning Inspectorate Administration costs (£250,000).

Programme Capital

13,288

In section A £10,450,000 for Cybrarian (Capital Modernisation Fund); in section M £839,000 for Secure Acomodation. In Non-Budget £1,999,000 for Qualifications and Curriculum Authority Investment (£820,000), Higher Education Funding Council for England New Technology Institutes (£982,000), Sector Skills Development Agency Investment (£195,000), Investor's in People Investment (£2,000).

#### Transfers from Other Government Departments

Programme Resource

19,479

Transfers from the Home Office £500,000 for Community Based Learning for Offenders; from the Department of Health £18,979,000 for Pension Indexation (£5,669,000), Compensation for Clinical Academies (£2,328,000), College Social Work (£482,000), University Medical Schools (10,500,000).

Admin Resource

Transfer from the Cabinet Office £337,000 for funding the Parliamentary Council Office.

337

#### Transfer from RfR2

Programme Resource

Transfer from RFR2 section A £29,800,000 for Childcare Support.

29,800

#### Transfer from RfR3

Programme Resource

22,196

Transfer from RFR3 section A £13,422,000 for Local Area Agreements, section B £8,774,000 for Safeguarding Children Grants.

#### Transfer from Central Funds

Programme Resource

Draw down in section S non-budget of £7,000,000 for Education Maintenance Allowances.

7,000

## Introduction (*continued*)

### Revaluation of Provisions

Programme Resource

Revaluation in Section R £184,192,000 of the Student Loan and Student Loan Debt Sale discount rate adjustment. 184,192

### Decreases:

### Transfers to Other Government Departments

Programme Resource

Transfers to the National Assembly for Wales £4,637,000 for students studying at the Open University; to the Department for Constitutional Affairs £2,743,000 for the implementation of the Children's Adoption Act; to the Home Office £1,000,000 for the Leave to Remain programme; to the Department for Health £125,000 for the Bichard Project. -8,505

### Transfer to Non-Budget

Programme Capital

Transfer from section J £76,768,000 to non-voted School Credit Approvals. -76,768

### Neutral Changes:

### Resource Transfers between sections within the Estimate

Movement from section A £44,188,000 to non-budget support for Higher Education; from section B £424,248,000 to section D Higher Education (£4,041,000), to non-budget support for Schools (£226,489,000), Children and Families (£102,181,000), Higher Education (£3,104,000), Further Education and Lifelong Learning (£88,433,000); from section C £186,505,000 to section D Higher education (£78,000), section G support for Students (£7,885,000), section G College of Education Staff (£11,006,000), section I support for schools (£53,000), section L Local Authority Support for Children and Families (£167,483,000); from section F £249,978,000 to non-budget support for Further Education and Lifelong Learning; from section K £70,900,000 to non-budget support for Higher Education. From Departmental Unallocated provision £4,700,000 to non-budget support for Children and Families. -

### Capital Transfers between sections within the Estimate

Movement from section J £7,617,000 to section M £1,745,000 for Local Authority Support for Children and Families, to non-voted section P £1,099,000 for the National College for Schools Leadership, to non-voted section R £872,000 for the Student Loan Company, to non-voted section S £3,901,000 for the Sector Skill Development Agency (£250,000), the Learning and Skills Council (£3,200,000), Investors in People (£70,000), the Adult Learning Inspectorate (£381,000). -

### Transfers from Capital to Capital in Resource

Transfer from section J £198,065,000 to section B for City Academies (£125,934,000), for ICT Capital in Schools (£13,369,000); to non-budget section R (£50,000,000) for Teaching Infrastructure through the Higher Education Funding Council for England; to section C for Children and Families (£7,260,000), for Music and Ballet Schools (£1,502,000). -

### Transfers from Resource to Capital in Resource

Transfer within non-budget section R £128,051,000 for Teaching Infrastructure through the Higher Education Funding Council for England. Within non-budget section S £4,473,000 for Learning and Skills Council Training Grants. -

## Introduction (*continued*)

### Increase / Decrease in gross spending offset by Appropriations In Aid

Increase in gross provision and appropriations in aid on Section A by £197,000 for General Administration from Other Government Departments; Section B by £643,000 for Voluntary Aided School interest receipts (£300,000), Competition Managers (£324,000), Music manifesto (£19,000); Section C £1,575,000 for Positive Activities for Young People (£1,500,000), Strengthening Family Grants (£75,000); Section D £4,000 for administration costs of the United Kingdom Socrates Erasmus Council; Section E £3,586,000 for Department of Trade and Industry Knowledge Transfer funding for Universities; Section F £6,299,000 for European programme receipts (£290,000), Education Qualification receipts (£2,591,000), Adult basic skills receipts from the European Social Fund (£1,935,000), Offender Education (£1,483,000); Section I £6,707,000 for Healthy Schools; Section J £122,000 for receipts for Voluntary Aided schools. Decrease in gross provision and appropriations in aid on Section C £20,000 for Connexions Card; section E £56,900,000 for the Higher Education Innovation Fund.

**Total change in resources for RfR1** 259,874

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

#### Increases:

#### Take up of End Year Flexibility

Programme Resource  
In section A £112,567,000 for Sure Start Current Grants (£74,758,000), Sure Start Capital Grants (£37,809,000). 112567

Programme Capital  
In section C £58,647,000 for Sure Start Local Authority Capital Grants 58,647

#### Decreases:

#### Transfer to RfR1

Programme Resource  
Transfer to RFR1 section C £29,800,000 for Childcare Support. -29,800

#### Neutral Changes:

#### Transfer to RfR2 Resource Budget

Programme Capital 450  
In section A £450,000 from Sure Start own capital to Local Authority Capital Grants.

#### Resource Transfers between sections within the Estimate

Movement from section A £142,597,000 to section B for Local Authority current grants. 0

**Total change in resources for RfR2** 141,864

### 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

#### Decreases:

#### Transfer to RfR1

Programme Resource -22,196  
Transfer to RFR1 section L £13,422,000 for Local Area Agreements, section C £8,774,000 for Safeguarding Children Grants.

## Introduction (*continued*)

### Neutral Changes:

#### Resource Transfers between sections within the Estimate

Movement from section A £12,276,000 to section B for Local Authority current grants. 0

**Total change in resources for RfR3 -22,196**

**Total change in resources for Estimate 379,542**

### Changes in capital

Transfer to RfR2 Resource Budget -450

Increase in Voluntary Aided School Receipts -122

Net Decrease in Student Loan Payments -38,816

**Total change in capital for Estimate -39,388**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £184,183,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>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</b>	†	<b>259,874,000</b>
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>		<b>141,864,000</b>
<b>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</b>	†	<b>-22,196,000</b>
Total additional net resource requirement		379,542,000
<b>Additional net cash requirement</b>		<b>184,183,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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; education action zones; modernising the teaching profession and other educational services and initiatives; costs associated with the Schools Food Trust; 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; 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 and the Qualifications and Curriculum Authority, the Adventure Activities Licensing Authority and the Partnerships for Schools; support for the Centre for Information Learning Technology; 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 to the Children's Commissioner; payments and grants to support parenting and parenting organisations; grants to support Strengthening Families, Marriages and Relationships; payments to support and develop vetting and barring; support for Pilot Local Area Agreements; 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

## **Part I (continued)**

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 support for Pilot 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; Children's Fund Support for Pilot Local Area Agreements; 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 of RfR 3 of £22,196,000 is offset by a reallocation of those resources to RfR 1

## 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	
<b>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</b>						
<b>Spending in Departmental Expenditure Limits (DEL)</b>						
RfR 1 - A	Activities to Support all Functions	397,891	-32,905	-43	-32,862	365,029
RfR 1 - B	Support for Schools and Teachers not through Local Education Authorities	1,330,962	-280,512	643	-281,155	1,049,807
RfR 1 - C	Support for Children and Families not paid through Local Authorities	808,467	-137,789	1,505	-139,294	669,173
RfR 1 - D	Higher Education	113,763	4,039	4	4,035	117,798
RfR 1 - E	Higher Education Receipts from the Department of Trade and Industry	-418,946	-	-53,314	53,314	-365,632
RfR 1 - F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes	652,025	-218,089	11,443	-229,532	422,493
RfR 1 - G	Support for Students in Higher Education	1,362,528	7,885	-	7,885	1,370,413
RfR 1 - H	Compensation to Former College of Education Staff	355	11,006	-	11,006	11,361
RfR 1 - I	Current Grants for Local Education Authorities to Support Schools and Teachers	3,860,753	10,752	6,707	4,045	3,864,798
RfR 1 - J	Capital Grants for Local Education Authorities to Support School	2,832,844	-282,328	-	-282,328	2,550,516
RfR 1 - K	Higher Education Fees and Awards through Local Education Authorities	81,500	-70,900	-	-70,900	10,600
RfR 1 - L	Current Grants to Local Authorities to Support Children and Families	127,154	178,162	-	178,162	305,316
RfR 1 - M	Capital Grants to Local Authorities to Support Children and Families	27,228	2,584	-	2,584	29,812
<b>Non-budget</b>						
RfR 1 - P	Grant in Aid to NDPBs supporting Schools	674,066	71,963	-	71,963	746,029
RfR 1 - Q	Grant in Aid to NDPBs supporting Children and Families	92,000	12,000	-	12,000	104,000
RfR 1 - R	Loans to Students and Grant in Aid to NDPBs supporting Higher Education	6,111,741	136,456	-	136,456	6,248,197
RfR 1 - S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning	9,953,403	814,495	-	814,495	10,767,898
<b>Total RfR 1</b>			<b>226,819</b>	<b>-33,055</b>	<b>259,874</b>	

**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	
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>						
<b>Spending in Departmental Expenditure Limits (DEL)</b>						
RfR 2 - A	Sure Start Current Grants not through Local Authorities	583,980	-107,530	-	-107,530	476,450
RfR 2 - B	LA Current Grants	331,993	190,297	-	190,297	522,290
RfR 2 - C	LA Capital Grants	263,667	59,097	-	59,097	322,764
<b>Total RfR 2</b>		<b>141,864</b>		<b>-</b>	<b>141,864</b>	
<b>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</b>						
<b>Spending in Departmental Expenditure Limits (DEL)</b>						
RfR 3 - A	Children's Fund	68,451	-25,698	-	-25,698	42,753
RfR 3 - B	LA Current Grants	126,802	3,502	-	3,502	130,304
<b>Total RfR 3</b>		<b>-22,196</b>		<b>-</b>	<b>-22,196</b>	
<b>Total Changes to RfRs</b>		<b>346,487</b>		<b>-33,055</b>	<b>379,542</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	2,682,520	-31,266	2,651,254
Non-Operating A in A	482,575	8,122	490,697
<b>Net cash requirement</b>	<b>31,684,613</b>	<b>184,183</b>	<b>31,868,796</b>



**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	
<b>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</b>								
255,593	193,651	28,220,759	28,670,003	402,395	28,267,608	2,651,190	490,697	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Activities to Support all Functions								
255,593	47,767	72,151	375,511	10,482	365,029	10,190	575	
B Support for Schools and Teachers not through Local Education Authorities								
-	9,393	1,041,057	1,050,450	643	1,049,807	-	-	
C Support for Children and Families not paid through Local Authorities								
-	36,216	635,032	671,248	2,075	669,173	-	-	
D Higher Education								
-	19,707	98,200	117,907	109	117,798	-	-	
E Higher Education Receipts from the Department of Trade and Industry								
-	-	-	-	365,632	-365,632	-	-	
F Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes								
-	79,894	359,346	439,240	16,747	422,493	-	-	
G Support for Students in Higher Education								
-	-	1,370,413	1,370,413	-	1,370,413	-	-	
H Compensation to Former College of Education Staff								
-	-	11,361	11,361	-	11,361	-	-	
<i>Capital Modernisation Fund Supporting all Functions</i>								
-	-	-	-	-	-	-	-	
<i>Support for Local Authorities</i>								
I Current Grants for Local Education Authorities to Support Schools and Teachers								
-	-	3,871,505	3,871,505	6,707	3,864,798	-	-	
J Capital Grants for Local Education Authorities to Support School								
-	-	2,550,516	2,550,516	-	2,550,516	-	122	
K Higher Education Fees and Awards through Local Education Authorities								
-	-	10,600	10,600	-	10,600	-	-	
L Current Grants to Local Authorities to Support Children and Families								
-	-	305,316	305,316	-	305,316	-	-	
M Capital Grants to Local Authorities to Support Children and Families								
-	-	29,812	29,812	-	29,812	-	-	
<i>Capital Modernisation Fund through Local Education Authorities</i>								
-	-	-	-	-	-	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
N Education Maintenance Allowance's not through Local Education Authorities								
-	-	-	-	-	-	-	-	

**Part II: Revised subhead detail including additional provision (cont.)**

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>								
O	Education Maintenance Allowance's through Local Education Authorities							
-	-		-	-	-	-	-	
<b>Non-budget</b>								
P	Grant in Aid to NDPBs supporting Schools							
-	-	746,029	746,029	-	746,029	-	-	
Q	Grant in Aid to NDPBs supporting Children and Families							
-	-	104,000	104,000	-	104,000	-	-	
R	Loans to Students and Grant in Aid to NDPBs supporting Higher Education							
-	-	6,248,197	6,248,197	-	6,248,197	2,641,000	490,000	
S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning							
-	674	10,767,224	10,767,898	-	10,767,898	-	-	
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>								
-	762	1,329,207	1,329,969	8,465	1,321,504	50	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	Sure Start Current Grants not through Local Authorities							
-	762	484,153	484,915	8,465	476,450	50	-	
<i>Support for Local Authorities</i>								
B	LA Current Grants							
-	-	522,290	522,290	-	522,290	-	-	
C	LA Capital Grants							
-	-	322,764	322,764	-	322,764	-	-	
<b>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</b>								
-	3,508	169,549	173,057	-	173,057	14	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	Children's Fund							
-	3,508	39,245	42,753	-	42,753	14	-	
<i>Support for Local Authorities</i>								
B	LA Current Grants							
-	-	130,304	130,304	-	130,304	-	-	
<b>Total for Estimate:</b>								
255,593	197,921	29,719,515	30,173,029	410,860	29,762,169	2,651,254	490,697	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>29,382,627</b>	<b>379,542</b>	<b>29,762,169</b>
<b>Voted capital items</b>			
Capital expenditure	2,682,520	-31,266	2,651,254
<i>Less:</i> non-operating A in A	<u>482,575</u>	<u>8,122</u>	<u>490,697</u>
<b>Total net voted capital</b>	<b>2,199,945</b>	<b>-39,388</b>	<b>2,160,557</b>
<b>Accruals to cash adjustment</b>			
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	617,915	-184,192	433,723
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520,675	-11,735	-532,410
Increase(+)/decrease (-) in stock	44	-44	-
Increase(+)/decrease (-) in debtors	-426	40,000	39,574
Increase(-)/decrease (+) in creditors	10,363	-	10,363
Use of provisions	<u>7,965</u>	<u>-</u>	<u>7,965</u>
<b>Total accruals to cash adjustments</b>	<b>102,041</b>	<b>-155,971</b>	<b>-53,930</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>31,684,613</b>	<b>184,183</b>	<b>31,868,796</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR1	252,085	
RfR2	-	
RfR3	-	
<b>Total Net Administration Costs</b>		<b>252,085</b>
<b>Net Programme Costs</b>		
RfR1	28,015,523	
RfR2	1,321,504	
RfR3	173,057	
<b>Total Net Programme costs</b>		<b>29,510,084</b>
<b>Total Net Operating Cost</b>		<b>29,762,169</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>29,762,169</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>27,066,917</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>29,762,169</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>29,762,169</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-2,903,092
capital grants financed from the Capital Modernisation Fund	-10,450
European Union income and related adjustments	-
voted expenditure outside the budget	435,174
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-216,884
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>27,066,917</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	26,491,431
Annually Managed Expenditure (AME)	575,486

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>2,160,557</b>
<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	15,270
capital grants to local authorities	2,903,092
capital grants financed by the Capital Modernisation Fund	10,450
local authority credit approvals	1,383,970
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-2,151,000
<b>Capital Budget Outturn (Budget)</b>	<b>4,322,339</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,318,399
Annually Managed Expenditure (AME)	3,940

## 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.

<b>Request for Resources 1</b>	Mr David Bell, Permanent Head of the Department
<b>Request for Resources 2</b>	Mr David Bell, Permanent Head of the Department
<b>Request for Resources 3</b>	Mr David Bell, Permanent Head of the Department

David Bell as the Principal Accounting Officer (PAO) 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 PAO 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 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 appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
<b>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</b>		
European and International receipts	3,774	-
Career Development Loans	220	-
Publicity and evaluation	506	-
General Administration receipts	1,576	-
Rent from minor occupiers	1,910	-
Admin receipts - land	-	319
Admin receipts - other	-	256
Repayment of principal on student loans	-	490,000
Higher Education Business Fellows (from DTI)	46	-
Educational Qualification Receipts	3,640	-
Higher Education Innovation Fund (from DTI)	65,100	-
Connexions Card receipts	1,020	-
Research Investment Fund	296,900	-
Miscellaneous programme receipts	343	-
General Administration programme receipts	6,490	-
UK Presidency of EU receipts	97	-
Programme receipts	2,498	-
Voluntary aided school interest receipts	300	-
Voluntary aided school loan repayments	-	122
Knowledge Transfer for Universities (from DTI)	3,586	-
ALI Inspection Receipts (from DWP)	4,624	-
School Standards Fund Receipts	6,707	-
Offenders Education from Home Office	1,483	-
Support for Young People from Home Office	1,500	-
Strengthening Families from Home Office	75	-
<b>Total RfR1</b>	<b>402,395 *</b>	<b>490,697 **</b>

\* Amount that may be applied as 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; International Receipts; 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.

\*\* Amount that may be applied as non-operating appropriations in aid, 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.

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

	£'000	
	2005-06 Provision	
	Operating	Non
	A in A	operating
	A in A	A in A
<b>RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare</b>		
European Social fund receipts	8,175	-
Scottish Executive Contribution to Childcare Information Services	290	-
<b>Total RfR2</b>	<b>8,465 *</b>	<b>- **</b>
* Amount that may be applied as appropriations in aid in addition to the net total, arising from European Social Fund receipts and Scottish Executive Childcare Information Service receipts.		
<b>Total A in A</b>	<b>410,860</b>	<b>490,697</b>
<i>of which: Administration budgets</i>	<i>3,508</i>	<i>-</i>



## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department of Education and Skills (excluding OFSTED) Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	390,798	8,982,503	17,508,928	26,491,431
<i>of which :Administration Budget</i>	<i>537</i>	<i>252,085</i>	<i>-</i>	<i>252,085</i>
Capital	-126,130	2,924,081	1,394,318	4,318,399
Depreciation*	10,270	-9,175	-25,326	-34,501
Total	274,938	11,897,409	18,877,920	30,775,329

\*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**  
901,557

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:

Subhead	Service		£'000
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	Grants to support Marriages and Relationships	■	900

## Notes to the Estimate (*continued*)

### Grants in Aid

Details of grants in aid made by the Department to non-departmental public bodies (NDPBs):

Non-Departmental Public Body		£ million
Adult Learning Inspectorate (ALI)	♥	26.1
Adventure Activity Licensing Authority		0.5
British Educational Communications and Technology Agency (BECTA)	♦	12.5
Children's Commissioner	♥	3.0
Higher Education Funding Council for England (HEFCE)	♥	6,625.0
Children and Family Court Advisory and Support Service	♥	101.0
Investors in People UK (IiP UK)	♦	5.7
Learning and Skills Council	♥	10,516.9
National College for School Leadership	♦	93.6
Office for Fair Access	♥	0.4
Partnerships for Schools		3.5
Qualifications and Curriculum Authority	♥	151.0
Quality Improvement Agency		-
Sector Skills Development Agency	♦	67.4
Student Loans Company	♦	58.8
Training and Development Agency for Schools	♥	634.2

# Teachers' Pension Scheme (England & Wales)

## Introduction

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

**RfR 1: Teachers' Pensions**

Amount £

**Increases:**

AME Forecast

In line A for pension liability current service costs an increase of £309,206,000 309,206,000

**Decreases:**

AME Forecast

1 In section A a decrease of £18,161,000 for interest on pension liability (£110,110,000), other pension expenditure (£3,171,000), increase in pension contributions receivable (£69,234,000). -182,515,000

2 In section B a decrease of £126,690,000 for a reduction in prior period adjustment on pension liability. -126,690,000

**Total change in resources for RfR1** 1,000

**Total change in resources for Estimate** 1,000

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £1,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

	<b>£</b>
<b>RfR 1: Teachers' Pensions</b>	<b>1,000</b>
Total additional net resource requirement	1,000
<b>Additional net cash requirement</b>	<b>1,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for Education and Skills 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	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
<b>RfR 1: Teachers' Pensions</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - A Pensions and associated payments	7,912,013	195,925	-69,234	126,691	8,038,704
<b>Non-budget</b>					
RfR 1 - B Pensions and associated payments	14,310,159	-126,690	-	-126,690	14,183,469
<b>Total RfR 1</b>		<b>69,235</b>	<b>-69,234</b>	<b>1</b>	

	Present Provision	Change in Provision	£'000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>1,174,536</b>	<b>1</b>	<b>1,174,537</b>

**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	
<b>RfR 1: Teachers' Pensions</b>								
-	26,258,803	3,329	26,262,132	4,039,959	22,222,173	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
A Pensions and associated payments								
-	12,075,334	3,329	12,078,663	4,039,959	8,038,704	-	-	
<b>Non-budget</b>								
B Pensions and associated payments								
-	14,183,469	-	14,183,469	-	14,183,469	-	-	
<b>Total for Estimate:</b>								
-	26,258,803	3,329	26,262,132	4,039,959	22,222,173	-	-	

## Part II: Resource to cash reconciliation

	Present	Increase (+) Decrease (-)	£'000 Revised
<b>Net total Resources</b>	22,222,172	1	22,222,173
<b>Voted capital items</b>			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
<b>Total net voted capital</b>	-	-	-
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-26,186,397	-67,406	-26,253,803
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	17,821	97,597	115,418
Increase(-)/decrease (+) in creditors	-14,557	-179	-14,736
Use of provisions	5,135,497	-30,012	5,105,485
<b>Total accruals to cash adjustments</b>	-21,047,636	-	-21,047,636
<b>Excess cash to be CFERd</b>	-	-	-
<b>Net cash requirement</b>	1,174,536	1	1,174,537

## 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	-	-	159	<i>140</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	-	-	-	-
<b>Total</b>	-	-	159	<i>140</i>

## Forecast Combined Revenue Account

	£'000
	2005-06 provision
<b>Income</b>	
Contributions received	3,936,689
Transfers in	92,943
Other income receivable	10,327
CFERs	159
<b>Total Income</b>	<b>4,040,118</b>
<b>Expenditure</b>	
Increase in liability	5,007,747
Interest on scheme liability	7,059,311
Other expenditure	11,605
<b>Total Expenditure</b>	<b>12,078,663</b>
<b>Total Net Operating Cost</b>	<b>8,038,545</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>22,222,173</b>
CFERs	-159
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>8,038,545</b>



## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>22,222,173</b>
<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	-159
Other adjustments	-14,183,469
<b>Net Operating Costs (Accounts)</b>	<b>8,038,545</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>8,038,545</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	8,038,545

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	-
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

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## 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 Principal Accounting Officer (PAO) of the Department for Education and Skills has personal responsibility for the proper presentation of the Department of Education and Skills' resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO, as permanent head, in addition to the responsibilities for the assigned RfR, 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 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 appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Teachers' Pensions</b>		
Employees and employers contributions	4,039,959	-
<b>Total RfR 1</b>	<b>4,039,959</b> *	-
<i>of which: Administration budgets</i>		-

\* 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 payment 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.

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**Notes to the Estimate (*continued*)**
**Analysis of Consolidated Fund extra receipts**

		2005-06 provision	£'000
Interest on funds and fines for late contributions	Δ	159	140
<b>Total</b>		<b>159</b>	<b>140</b>

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**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	4,039,959

# 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:**

##### **Transfer from Non Voted spending**

£116.392 million

Resource Revenue DEL.

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

Take up of Department unallocated provision to meet commitments to NHS bodies and central budget holders. 116,392,000

##### **Transfers from Other Government departments**

£0.679 million

Resource Revenue DEL.

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

From DHSS Northern Ireland for out of area treatments. 554,000

Transfer from the Department for Education and Skills in respect of the Bichard recommendations. 125,000

##### **Other increases**

£201.336 million

Resource Revenue DEL.

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

Reattribution of planned revenue and capital expenditure for Connecting for Health (formerly the National Programme for Information Technology). 200,000,000

Funding awarded for Invest to Save projects. 1,336,000

Non Budget

£1,558.988 million.

Line H - NHS trusts' depreciation.

Additional resources to cover the increase in NHS trusts' depreciation. 35,208,000

Line I - NHS contributions.

Additional resources to cover the shortfall in expected NHS contributions from HM Revenue and Customs. 1,523,780,000

##### **Transfers from RfR 2**

£111.601 million.

Resource Revenue DEL.

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

Transfer from RfR2 mainly to meet the cost of funding prison health care services to be undertaken by primary care trusts and to take account of the funding of NDPBs following the review of arm's length bodies. 106,601,000

Non Budget

Line H - NDPB funding

Additional capital grant funding for Commission for Social Care and Inspection 5,000,000

## Introduction (*continued*)

### Decreases:

#### **Transfers to RfR 2**

£109.492 million

Resource Revenue DEL.

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

Transfer to RfR2 for revised funding of NDPBs and to meet existing priorities. -101,536,000

Non Budget

Transfer to RfR3 for increased funding of the Independent Regulator for NHS foundation trusts. -7,800,000

Line H - NDPB funding

Transfer to RfR2 for revised funding of NDPBs. -156,000

#### **Transfers to Other Government departments**

£77.821 million.

Resource Revenue DEL.

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

£60 million to the Department for Agriculture and Rural Affairs for a contribution to the over thirty months scheme, £4.140 million to Scotland for out of area treatments, £5.684 million to Wales mainly for out of area treatments and cross border flows, £7.997 million to the Department for Education and Skills for pension indexation. -77,821,000

#### **Transfer of resources to off Vote capital**

£-18.807 million

Transfer to finance off vote capital expenditure -18,807,000

### Neutral Changes:

#### **Increased spending offset by increased income.**

£434.254 million

Line A - Strategic health authority and primary care trusts unified budget and central

Line D - General dental services.

Line H - Trust debt remuneration.

Line H - NDPB income

To reflect current forecasts of income £330.268 million from A5, £87 million from D5 and £16.986million from H5. Mainly for additional dental income, joint ventures with local authorities, prescription price regulation scheme and trust debt remuneration.

#### **Reallocation within RfR1**

£351.890 million.

Reduce Line A - Strategic health authority and primary care trusts unified budget and central

Increase Line D - General dental services.

Reduce Line E - General ophthalmic services

To reflect latest attribution of expenditure between personal dental services and general dental services and to reflect latest forecasts for demand led general ophthalmic services.

£35.176 million

Reduce Line A - Strategic health authority and primary care trusts unified budget and central

Increase Line H - Grant in aid to NDPBs

Reallocation of funds to meet NDPB grants.

**Total change in resources for RfR 1 1,782,876,000**

## Introduction (*continued*)

### 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:

##### Transfers from Other Government departments

£0.484 million

Line A - central department

Transfer from Cabinet Office for funding Parliamentary Council.

484,000

##### Transfers from RfR 1

£101.692 million.

Line B- NHS Pensions Agency

Line E- Other services

Line T- Grant in aid to NDPBs

Transfer from RfR1 for revised funding of NDPBs and other bodies and to meet existing commitments.

101,692,000

#### Decreases:

##### Transfers to other government departments

£0.482 million

-482,000

Line G- Personal social services

Transfer to Department for Education and Skills for funding training.

##### Transfers to RfR 1

£106.601 million

-106,601,000

Line A - central department (£2.889 million)

Line E- Other services (£100.712 million)

Line G - Personal social services (£3 million)

Transfer mainly for prison health care funding to be provided by primary care trusts.

#### Neutral Changes:

##### Increased spending offset by increased income.

£26.826 million

Line A- Central department (£4.423 million)

Line B- NHS Pensions Agency (£0.468 million)

Line C- NHS Estates (£-0.013 million)

Line E - Other services (£6.762 million)

Line F - Welfare Foods (£14.040 million)

Line G- Personal social services (£0.030 million)

Line T -Grant in aid funding of NDPBs (£1.116 million)

Mainly income from other departments and bodies for services provided, sales of publications and secondees income.

##### Reallocation within RfR2

£4.3million

Increase Line B- NHS Pensions Agency

Reduce Line E- Other services

Transfer of funding in respect of the device evaluation service.

£0.551 million

Increase Line B- NHS Pensions Agency

Reduce Line A- central department

Transfer of meet costs of the Pensions Agency's superannuation budget.

**Total change in resources for RfR 2**

**-4,907,000**

## Introduction (*continued*)

### RfR 3: Office of the Independent Regulator for NHS foundation trusts

#### Increases:

#### Transfers from another Request for resources

£7.8 million. 7,800,000  
Transfer from RfR1 for increased funding.

**Total change in resources for RfR 3 7,800,000**

**Total change in resources for Estimate 1,785,769,000**

#### Changes in capital

Increases in Credit Guarantee Finance to reflect revised timing of financing arrangements. 944,000  
Transfers to the Department for Education and Skills for capital building of medical schools and to the Department for Constitutional Affairs for the mental health review tribunals. -12,000,000  
To reflect the latest forecasts of public dividend capital requirements of NHS trusts and foundation trusts. 342,455,000  
Invest to save budget addition for social care projects. 125,000  
Take up of end year flexibility. 200,000,000  
Virement to Revenue DEL for Connecting for Health (formerly National programme for Information Technology). -200,000,000  
Transfer to off vote capital expenditure. -4,840,000  
Increase in NDPB capital for the commission for Social Care and Inspection. -5,000,000

**Total change in capital for Estimate 321,684,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £2,364,998,000.
3. The overall DEL increase of £112,322,000 includes £1k token supplementary estimates change included at winter supply but not previously reported.
4. Symbols are explained in the Introduction to this booklet.



**Part I**

£

<b>RfR 1: Securing health care for those who need it</b>	† 1,782,876,000
<b>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</b>	† -4,907,000
<b>RfR 3: Office of the Independent Regulator for NHS foundation trusts</b>	7,800,000
Total additional net resource requirement	1,785,769,000
<b>Additional net cash requirement</b>	<b>2,364,998,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department of Health on:

**RfR 1: Securing health care for those who need it**

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 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; to provide 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**

Administration, including certain expenditure on behalf of the Department for 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 other countries of the European Economic Area; 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; payments made under Sector Challenge arrangements with the Department of Trade and Industry; services provided to or on behalf of the Scottish Executive, National Assembly for Wales and Northern Ireland; 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.

† The reduction in the net resource requirement of RfR 2 of £4,907,000 is offset by a reallocation of those resources to RfR 1

## 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
<b>RfR 1: Securing health care for those who need it</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Strategic health authorities and primary care trusts unified budgets and central allocations	69,958,577	197,959	330,268	-132,309	69,826,268
RfR 1 - D FHS - general dental services	658,000	441,000	87,000	354,000	1,012,000
RfR 1 - E FHS - general ophthalmic services	354,110	-2,110	-	-2,110	352,000
RfR 1 - F Strategic health authorities and primary care trusts grants to local authorities	448,788	-28,807	-	-28,807	419,981
<b>Non-budget</b>					
RfR 1 - H Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, foundation trusts loans and repayments and repayment of interest	1,482,267	85,308	16,986	68,322	1,550,589
RfR 1 - I NHS contributions	-15,779,379	-	-1,523,780	1,523,780	-14,255,599
<b>Total RfR 1</b>		<b>693,350</b>	<b>-1,089,526</b>	<b>1,782,876</b>	
<b>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</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 2 - A Central department	263,965	4,132	7,042	-2,910	261,055
RfR 2 - B NHS Purchasing and Supplies Authority	20,500	6,948	468	6,480	26,980
RfR 2 - C NHS Estates Agency: dividend on public dividend capital and repayment of loans	-13	-	-13	13	-
RfR 2 - E Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services	355,241	-79,308	6,832	-86,140	269,101
RfR 2 - F Welfare food and European Economic Area medical costs	634,547	66,040	16,040	50,000	684,547
RfR 2 - G Other personal social services	114,497	-3,362	120	-3,482	111,015
<b>Non-budget</b>					
RfR 2 - T Grant in aid funding of non-departmental public bodies and special health authorities	241,157	32,295	1,163	31,132	272,289
<b>Total RfR 2</b>		<b>26,745</b>	<b>31,652</b>	<b>-4,907</b>	

**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
<b>RfR 3: Office of the Independent Regulator for NHS foundation trusts</b>						
<b>Non-budget</b>						
RfR 3 - A	Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts	10,000	7,800	-	7,800	17,800
	<b>Total RfR 3</b>		<b>7,800</b>	<b>-</b>	<b>7,800</b>	
	<b>Total Changes to RfRs</b>		<b>727,895</b>	<b>-1,057,874</b>	<b>1,785,769</b>	

		£000		
		Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>				
	Total Capital Expenditure	4,570,210	776,684	5,346,894
	Non-Operating A in A	1,598,011	455,000	2,053,011
	<b>Net cash requirement</b>	<b>60,019,627</b>	<b>2,364,998</b>	<b>62,384,625</b>

**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	
<b>RfR 1: Securing health care for those who need it</b>								
-	76,009,195	1,142,221	77,151,416	17,596,922	59,554,494	5,327,486	2,053,000	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Strategic health authorities and primary care trusts unified budgets and central allocations								
-	70,769,487	547,761	71,317,248	1,490,980	69,826,268	1,303,366	553,000	
B FHS - pharmaceutical services								
-	1,099,300	-	1,099,300	-	1,099,300	-	-	
C FHS - prescription charges income								
-	2,500	-	2,500	454,345	-451,845	-	-	
D FHS - general dental services								
-	1,327,000	-	1,327,000	315,000	1,012,000	-	-	
E FHS - general ophthalmic services								
-	352,100	-	352,100	100	352,000	-	-	
<i>Support for Local Authorities</i>								
F Strategic health authorities and primary care trusts grants to local authorities								
-	-	419,981	419,981	-	419,981	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
G Hospital financing for credit guarantee finance pilot projects								
-	7,100	-	7,100	5,300	1,800	376,944	-	
<b>Non-budget</b>								
H Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, foundation trusts loans and repayments and repayment of interest								
-	2,451,708	174,479	2,626,187	1,075,598	1,550,589	3,647,176	1,500,000	
I NHS contributions								
-	-	-	-	14,255,599	-14,255,599	-	-	
<i>MOG transfers to DfES</i>								
-	-	-	-	-	-	-	-	
<b>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</b>								
262,750	1,128,734	2,227,784	3,619,268	82,098	3,537,170	19,408	11	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Central department								
262,750	24,900	-	287,650	26,595	261,055	18,600	11	
B NHS Purchasing and Supplies Authority								
-	28,398	-	28,398	1,418	26,980	808	-	
C NHS Estates Agency: dividend on public dividend capital and repayment of loans								
-	-	-	-	-	-	-	-	

**Part II: Revised subhead detail including additional provision (cont.)**

	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
D Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.	-	-	-	-	-	-	-	-
E Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services	-	236,864	41,225	278,089	8,988	269,101	-	-
F Welfare food and European Economic Area medical costs	-	727,587	-	727,587	43,040	684,547	-	-
G Other personal social services	-	110,985	150	111,135	120	111,015	-	-
<i>Support for Local Authorities</i>								
H AIDS support grant	-	-	16,500	16,500	-	16,500	-	-
I Services for people with a mental illness	-	-	132,950	132,950	-	132,950	-	-
J Carers' grant	-	-	185,000	185,000	-	185,000	-	-
K Preserved rights grant	-	-	348,130	348,130	-	348,130	-	-
L Residential allowance grant	-	-	214,455	214,455	-	214,455	-	-
M Improving information management (capital)	-	-	25,000	25,000	-	25,000	-	-
N National training strategy	-	-	94,859	94,859	-	94,859	-	-
O Access and systems capacity grant	-	-	642,000	642,000	-	642,000	-	-
P Human resources development strategy	-	-	62,750	62,750	-	62,750	-	-
Q Children and adolescents mental health grant	-	-	90,539	90,539	-	90,539	-	-
R Delayed discharge grant	-	-	100,000	100,000	-	100,000	-	-
S Young persons substance misuse planning grant	-	-	-	-	-	-	-	-
<i>Training for social support staff</i>	-	-	-	-	-	-	-	-
<i>Performance fund</i>	-	-	-	-	-	-	-	-
<i>Care direct</i>	-	-	-	-	-	-	-	-

**Part II: Revised subhead detail including additional provision (cont.)**

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>Deferred Payments Grant</i>								
-	-	-	-	-	-	-	-	-
<i>Children's services grant</i>								
-	-	-	-	-	-	-	-	-
<b>Non-budget</b>								
T Grant in aid funding of non-departmental public bodies and special health authorities								
-	-	274,226	274,226	1,937	272,289	-	-	-
<i>Other</i>								
-	-	-	-	-	-	-	-	-
<i>MOG transfers to DfES</i>								
-	-	-	-	-	-	-	-	-
<b>RfR 3: Office of the Independent Regulator for NHS foundation trusts</b>								
-	-	17,800	17,800	-	17,800	-	-	-
<b>Non-budget</b>								
A Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts								
-	-	17,800	17,800	-	17,800	-	-	-
<b>Total for Estimate:</b>								
262,750	77,137,929	3,387,805	80,788,484	17,679,020	63,109,464	5,346,894	2,053,011	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>61,323,695</b>	<b>1,785,769</b>	<b>63,109,464</b>
<b>Voted capital items</b>			
Capital expenditure	4,570,210	776,684	5,346,894
<i>Less:</i> non-operating A in A	<u>1,598,011</u>	<u>455,000</u>	<u>2,053,011</u>
<b>Total net voted capital</b>	<b>2,972,199</b>	<b>321,684</b>	<b>3,293,883</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of capital charges	-1,850,550	-	-1,850,550
Depreciation	-610,510	-	-610,510
New provisions and adjustments to previous provisions	-2,487,755	600,000	-1,887,755
Profit/loss on sale of assets	10	-	10
Prior period adjustments	-	-	-
Other non-cash items	-722	-	-722
Increase(+)/decrease (-) in stock	-	150,000	150,000
Increase(+)/decrease (-) in debtors	139,783	-332,455	-192,672
Increase(-)/decrease (+) in creditors	-276,198	-160,000	-436,198
Use of provisions	<u>809,675</u>	<u>-</u>	<u>809,675</u>
<b>Total accruals to cash adjustments</b>	<b>-4,276,267</b>	<b>257,545</b>	<b>-4,018,722</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>60,019,627</b>	<b>2,364,998</b>	<b>62,384,625</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	-
RfR 2	248,113
RfR 3	-
<b>Total Net Administration Costs</b>	<b>248,113</b>
<b>Net Programme Costs</b>	
RfR 1	59,554,494
RfR 2	3,289,057
RfR 3	17,800
<b>Total Net Programme costs</b>	<b>62,861,351</b>
<b>Total Net Operating Cost</b>	<b>63,109,464</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>63,109,464</b>
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>74,898,779</b>



## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>63,109,464</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>63,109,464</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-106,193
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	12,879,409
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-3,903
unallocated resource provision	-
Other adjustments	-979,998
<b>Resource Budget Outturn (Budget)</b>	<b>74,898,779</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	74,896,979
Annually Managed Expenditure (AME)	1,800

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>3,293,883</b>
<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	55,778
capital grants to local authorities	96,193
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	53,420
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	1,184,192
<b>Capital Budget Outturn (Budget)</b>	<b>4,683,476</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,806,532
Annually Managed Expenditure (AME)	876,944

## 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.

<b>Request for Resources 1</b>	Sir Nigel Crisp, Permanent Head/NHS Chief Executive
<b>Request for Resources 2</b>	Sir Nigel Crisp, Permanent Head/NHS Chief Executive
<b>Request for Resources 3</b>	Sir Nigel Crisp, Permanent Head/NHS Chief Executive

Sir Nigel Crisp as the Principal Accounting Officer (PAO) 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 PAO 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 Department of Health'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	
	Operating A in A	Non operating A in A
	2005-06 Provision	
<b>RfR 1: Securing health care for those who need it</b>		
Charges for accommodation, goods and services to private and NHS patients, local authorities, Ministry of Defence, Home Office and others; income from income generation schemes; income from local authorities under joint finance and pooled budget arrangements; income from medical and dental education levy; income from the licensing of software; income from the Mental Health Act Commission, the Centre for Pharmacy Postgraduate Education, the Prescription Pricing Authority, the Dental Practice Board; settlement of legal claims; dividends and interest from investments; 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; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and Purchasing and Supply Agency arrangements; income from 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 for the National Programme for IT	1,490,980	-
NHS prescription charges	454,345	-
Dental charges	315,000	-
Recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services	100	-
Contribution by employers and employees towards the cost of the NHS	14,255,599	-
NDPB income and repayments of PDC and payments of dividends on PDC by NHS trusts and NHS foundation trusts, and repayments of loan principal and payments of interest by NHS foundation trusts.	1,075,598	1,500,000
Capital income from sale of land, buildings, surplus vehicles and equipment.	-	553,000
Interest received from credit guarantee pilot projects	5,300	-
<b>Total RfR 1</b>	<b>17,596,922 *</b>	<b>2,053,000 **</b>

\*Amount that may be applied as 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, Home Office and others; income from income generation schemes; income from local authorities under joint finance and pooled budget arrangements; income in respect of medical and dental education levy; income from the licensing of software; income in respect of settlement of legal claims; dividends and interest from investments; income from intellectual property; income of the Prescription Pricing Authority and Dental Practice Board; prescription 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 from connecting for health (formerly National Programme for IT); repayment of investments or loans either principle or interest made on behalf of the Department of National Health Service; payments of interest and dividends on PDC by NHS trusts and NHS foundation trusts, interest received on credit guarantee finance loans and income earned by NDPBs.

\*\*Amounts that may be applied as non-operating appropriations in aid 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.

## Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>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</b>		
Administration receipts for: seconded officers; welfare to work/ New Deal programmes; staff telephone calls; costs of legal proceedings; staff lease cars scheme; European Fast Stream programme; recoveries from other government departments, non-departmental public bodies and the NHS, local authorities, NHS Estates and Medicines and Healthcare Products Regulatory Agency for goods and services, staff accommodation, reimbursement of meeting expenses and selling services into wider markets, library income and open government. Income from the European Union for the reimbursement of staff travel expenses, goods and services.	26,595	-
NHS Purchasing and Supplies Authority: receipts for seconded officers, staff telephone calls, reimbursement of meeting expenses, staff lease cars scheme and health protection work.	1,418	-
Licence fees, royalties and sales of publications, evaluation reports, contributions by members of the public, insurance claims, sale of cars, Sector Challenge receipts from Department of Trade and Industry, mobile phone research contributions.	9,108	-
European Economic Area countries for NHS treatment of their residents.	27,000	-
Income from sale of subsidised dried milk.	16,040	-
Dividends on public dividend capital and repayment of loans by NHS Estates Agency and the Medicines and Healthcare Products Regulatory Agency	-	-
Sales of land, buildings and equipment.	-	11
Non departmental public body income	1,937	-
<b>Total RfR 2</b>	<b>82,098 *</b>	<b>11 **</b>
*Amount that may be applied as 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, NHS Estates 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 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 other european economic area countries for NHS treatment of their residents; sale of subsidised dried milk; income made under sector challenge arrangements with the Department of Trade and Industry, income from the European Community and 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 repayment on trading fund loans; 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.		
**Amounts that may be applied as non-operating appropriations in aid arising from capital income from the sale of land, buildings, surplus vehicles and equipment, principal repayment of trading fund loans, repayments of Public Dividend Capital advances to the NHS Estates Agency.		
<b>Total A in A</b>	<b>17,679,020</b>	<b>2,053,011</b>
<i>of which: Administration budgets</i>	<i>12,031</i>	

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department of Health Departmental Expenditure Limit will change as follows:

Resource	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	124,197	75,426,393	-529,414	74,896,979
<i>of which :Administration Budget</i>	<i>484</i>	<i>248,113</i>	<i>-</i>	<i>248,113</i>
Capital	-11,875	865,966	2,940,566	3,806,532
Depreciation*	-	-610,510	-51,669	-662,179
Total	112,322	75,681,849	2,359,483	78,041,332

\*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. 19,693,172

### 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:

Subhead	Service		£'000
RfR 2 A	United Kingdom Xenotransplantation Interim Regulatory Authority	■	112
RfR 2 E	Payment to local authorities for public health services at airports	■	2,430
RfR 2 E	Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work	■	6,900



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# National Health Service Pension Scheme

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## Introduction

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

### **RfR 1: National Health Service Pension Scheme**

#### **Increases:**

##### AME forecast

1.	Subhead A decrease in expenditure of £ 9,200,000 and decrease in appropriations in aid of £ 86,013,000	76,813,000
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##### Non-budget forecast

1	Subhead B increase in assessment of discount rate change	1,200,000,000
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<b>Total change in resources for RfR1</b>	1,276,813,000
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<b>Total change in resources for Estimate</b>	1,276,813,000
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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** 1,276,813,000

Total additional net resource requirement 1,276,813,000

**Additional net cash requirement** -

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the National Health Service (NHS) Pensions Agency 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

The National Health Service (NHS) Pensions Agency 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
<b>RfR 1: National Health Service Pension Scheme</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - A Pensions	8,815,591	-9,200	-86,013	76,813	8,892,404
<b>Non-budget</b>					
RfR 1 - B Pensions	16,700,000	1,200,000	-	1,200,000	17,900,000
<b>Total RfR 1</b>		<b>1,190,800</b>	<b>-86,013</b>	<b>1,276,813</b>	

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

## 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	
<b>RfR 1: National Health Service Pension Scheme</b>								
-	33,564,250	-	33,564,250	6,771,846	26,792,404	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
A Pensions								
-	15,664,250	-	15,664,250	6,771,846	8,892,404	-	-	
<b>Non-budget</b>								
B Pensions								
-	17,900,000	-	17,900,000	-	17,900,000	-	-	
<b>Total for Estimate:</b>								
-	33,564,250	-	33,564,250	6,771,846	26,792,404	-	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>25,515,591</b>	<b>1,276,813</b>	<b>26,792,404</b>
<b>Voted capital items</b>			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
<b>Total net voted capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-32,373,450	-1,120,800	-33,494,250
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	3,778,425	77,907	3,856,332
<b>Total accruals to cash adjustments</b>	<b>-28,595,025</b>	<b>-1,042,893</b>	<b>-29,637,918</b>
<b>Excess cash to be CFERd</b>	<b>3,079,435</b>	<b>-233,920</b>	<b>2,845,515</b>
<b>Net cash requirement</b>	<b>1</b>	<b>-</b>	<b>1</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
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	300	<i>300</i>	228	<i>228</i>
Excess receipts to be surrendered to the Consolidated Fund	-	<i>3,079,435</i>	-	<i>2,845,515</i>
<b>Total</b>	<b>300</b>	<b><i>3,079,735</i></b>	<b>228</b>	<b><i>2,845,743</i></b>

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## Forecast Combined Revenue Account

		£'000
		2005-06 provision
<b>Income</b>		
Contributions received	6,421,846	
Transfers in	200,000	
Other income receivable	150,000	
	<hr/>	
<b>Total Income</b>		<b>6,771,846</b>
<b>Expenditure</b>		
Increase in liability	7,858,766	
Interest on scheme liability	7,735,484	
Other expenditure	70,000	
	<hr/>	
<b>Total Expenditure</b>		<b>15,664,250</b>
<b>Total Net Operating Cost</b>		<b>8,892,404</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>26,792,404</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>8,892,404</b>

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## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>26,792,404</b>
<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	-17,900,000
<b>Net Operating Costs (Accounts)</b>	<b>8,892,404</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>8,892,404</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	8,892,404

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	-
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

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## 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**          Alan Stuttard, Chief Executive of the NHSPA

Alan Stuttard as the Accounting Officer (AO) of the NHS Pensions Agency has personal responsibility for the proper presentation of the NHS Pension Agency'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 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 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 Pension Agency'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: National Health Service Pension Scheme</b>		
Income from contributions and transfers in	6,771,846	-
<b>Total RfR 1</b>	<b>6,771,846</b> *	-
<i>of which: Administration budgets</i>	-	-

\* 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).

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

		£'000	
		2005-06 provision	
		Income	Receipts
Other income	Δ	228	228
Other miscellaneous receipts	Δ	-	2,845,515
<b>Total</b>		<b>228</b>	<b>2,845,743</b>

### Cash which may be retained to offset expenditure

£'000  
6,771,846

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



# Food Standards Agency

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Protecting and promoting public health in relation to food**

##### **Neutral Changes:**

##### Increased spending off-set by A-in- A

1,000

Amount: £5,000,000

Section: B

Reason: To increase MHS gross cost, reflecting increased activity and a similar increase in the income limit.

##### Movement within RfR

Amount: £1,400,000

Sections: A & B

Reason: A transfer from FSA HQ programme costs (section A) to MHS programme costs (section B) to reflect delegated budget

**Total change in resources for RfR1 1,000**

### Changes in capital

##### Take up of End Year Flexibility

950,000

Amount: £950,000

Section: A £775,000

Section: B £175,000

Reason: For the renewal of IT infrastructure and strengthening IT contingency arrangements

**Total change in capital for Estimate 950,000**

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £1,951,000
3. Symbols are explained in the Introduction to this booklet.

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**Part I**

£

**RfR 1: Protecting and promoting public health in relation to food** 1,000

Total additional net resource requirement 1,000

**Additional net cash requirement** 1,951,000

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Food Standards Agency on:

**RfR 1: Protecting and promoting public health in relation to food**

Administration, inspections, surveillance, managing research and development, education, publicity and publications, funding for non-cash items; funding of the Meat Hygiene Service.

The Food Standards 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
<b>RfR 1: Protecting and promoting public health in relation to food</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Food Standards Agency HQ Operations	112,077	-1,400	-	-1,400	110,677
RfR 1 - A Meat Hygiene Service	31,700	6,401	5,000	1,401	33,101
<b>Total RfR 1</b>		<b>5,001</b>	<b>5,000</b>	<b>1</b>	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	647	950	1,597
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>141,616</b>	<b>1,951</b>	<b>143,567</b>

**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	
<b>RfR 1: Protecting and promoting public health in relation to food</b>								
55,284	152,028	-	207,312	63,534	143,778	1,597	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Food Standards Agency HQ Operations								
55,284	58,627	-	113,911	3,234	110,677	1,097	-	
B Meat Hygiene Service								
-	93,401	-	93,401	60,300	33,101	500	-	
<b>Total for Estimate:</b>								
55,284	152,028	-	207,312	63,534	143,778	1,597	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>143,777</b>	<b>1</b>	<b>143,778</b>
<b>Voted capital items</b>			
Capital expenditure	647	950	1,597
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>647</b>	<b>950</b>	<b>1,597</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-762	-	-762
Depreciation	-2,004	-	-2,004
New provisions and adjustments to previous provisions	-42	-	-42
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	1,000	1,000
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total accruals to cash adjustments</b>	<b>-2,808</b>	<b>1,000</b>	<b>-1,808</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>141,616</b>	<b>1,951</b>	<b>143,567</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
RfR 1	<u>54,784</u>	
<b>Total Net Administration Costs</b>		<b>54,784</b>
<b>Net Programme Costs</b>		
RfR 1	<u>88,994</u>	
<b>Total Net Programme costs</b>		<b>88,994</b>
<b>Total Net Operating Cost</b>		<b>143,778</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>143,778</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>143,778</b>

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## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>143,778</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>143,778</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>143,778</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	143,778
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>1,597</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>1,597</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,597
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**

Dr Jon Bell, Chief Executive of the Food Standards Agency

Dr Jon Bell, as the Principal Accounting Officer (PAO) of the Food Standards Agency has personal responsibility for the proper presentation of the Food Standards Agency'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 Food Standards 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 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 Food Standards Agency'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Protecting and promoting public health in relation to food</b>		
Income from industry & other government bodies	63,534	-
<b>Total RfR 1</b>	<b>63,534</b> *	-
<i>of which: Administration budgets</i>	-	-

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from fees for slaughterhouse hygiene inspections, radioactive waste disposal inspections, milk and dairies sampling, government funded controls and miscellaneous receipts including the proceeds from the sale of assets.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Food Standards Agency element of the Department of Health Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	1	143,778	-	143,778
<i>of which :Administration Budget</i>	-	54,784	-	54,784
Capital	950	1,597	-	1,597
Depreciation*	-	-2,004	-	-2,004
Total	951	143,371	-	143,371

*\*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  
63,534

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 Transport

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation**

##### **Increases:**

##### **Reserve claim**

Amount: £350,843,000

350,843,000

Section: E

To increase non cash resource provision for Highways Agency (Section E) by £350,843,000 in respect of depreciation of the road network, writedown of fixed assets and new provisions.

##### **Take-up of 'Invest to Save Budget' End Year Flexibility**

Amount: £536,000

536,000

Sections: J

To increase resource provision for Mobility and Inclusion Unit (Section J) by £536,000 in respect of an 'Invest to Save' project.

##### **Transfers from non-voted spending**

- 1 Take-up of Departmental Unallocated Provision

Amount: £600,000 capital grants

600,000

Sections: AE

To increase capital grant provision for Other transport grants (capital) (Section AE) by £600,000 in respect of Promoting Sustainable Travel Initiatives.

- 2 Amount: £92,630,000

92,630,000

Sections: N, P, AD

To increase resource provision for Freight grants (Section N) by £5,200,000 in respect of functions transferred from the Strategic Rail Authority.

To increase resource provision for Vehicle Excise Duty enforcement (Section P) by £19,230,000 to cover a shortfall in VED enforcement receipts.

To increase resource provision for Other transport grants (resource) (Section AD) by £68,200,000 in respect of functions transferred from the Strategic Rail Authority.

##### **Transfers from other government departments**

Amount: £1,072,000

1,072,000

Sections: G, X

To increase resource provision for Research (Section G) by £707,000 from HM Revenue and Customs in respect of the Design Panel Funding and Central Administration (Section X) by £365,000 from the Cabinet Office in respect of Parliamentary Counsel costs.

## Introduction (*continued*)

### Other increases

#### Transfers from capital provision

Amount: £9,222,000 9,222,000

Sections: V, Y, AE

To increase grant provision for Vehicle and Operator Services Agency trading fund (Section V) by £1,300,000 by transfer from Section Z's capital provision.

To increase resource investment provision for Trans European network payments for transport projects (net) (Section Y) by £7,500,000 by transfer from Section X's capital provision for TENS projects.

To increase capital grant provision for Other transport grants (capital) (Section AE) by £422,000 by transfer from Section H's capital provision.

#### Increase in Annually Managed Expenditure

Amount: £88,001,000 88,001,000

Section: AG, AH

To increase resource provision for Highways Agency (Section AG) by £968,000 for imputed interest and Railways (Section AH) by £87,033,000 for the Channel Tunnel Rail Link.

#### Increase in non-budget expenditure

Amount: £316,104,000 316,104,000

Section: AI, AJ

To increase non-budget provision for Strategic Rail Authority (Section AI) by £304,204,000 and Grant in Aid funding of non-departmental public bodies (Section AJ) by £11,900,000.

### Neutral Changes:

#### Transfers within RfR

1 Amount: £109,501,000

Sections: A, C, D, E, F, G, H, J, L, Q, U, V, X, AA, AB, AC, AD, AF

To increase resource provision for Ports and shipping services (Section A) by £409,000 by transfer from Section B, £523,000 from Section C and £2,145,000 from Section L; Aviation services (Section C) by £334,000 from Section L; Transport security and royal travel (Section D) by £31,000 from Section L; Highways Agency (Section E) by £18,000,000 from Section L; Publicity and advice (Section F) by £800,000 from Section I; Research (Section G) by £9,000 from Section L; Statistics, censuses and surveys (Section H) by £12,000 from Section G; Mobility and Inclusion Unit (Section J) by £5,000 from Section L; Railways (Section L) £4,783,000 from Section G, £4,145,000 from Section H and £10,426,000 from Section S; Vehicle Certification Agency enforcement (Section Q) by £90,000 from Section G;

## Introduction (*continued*)

Driving Standards Agency trading fund (Section U) by £166,000 from Section L; Vehicle and Operator Service Agency trading fund (Section V) by £205,000 from Section L; Central Administration (Section X) by £33,100,000 from Section L; Other River Crossings (Section AA) by £11,345,000 from Section L and £500,000 from Section AC; GLA transport grants (resource) (Section AB) by £18,000,000 from Section L and £1,900,000 from Section AD; GLA transport grant (capital) (Section AC) by £503,000 from Section AE; Other transport grants (resource) (Section AD) by £1,000,000 from Section G, £245,000 from Section I and Speed and red light camera enforcement (Section AF) by £825,000 from Section L.

### 2 Amount: (£109,501,000)

Sections: B, C, G, H, I, L, S, AC, AD, AE

To decrease resource provision for Maritime and Coastguard Agency (Section B) by £409,000 to Section A; Aviation services (Section C) by £523,000 to Section A; Research (Section G) by £12,000 to Section H, £4,783,000 to Section L, £90,000 to Section Q and £1,000,000 to Section AD; Statistics, censuses and surveys (Section H) by £4,145,000 to Section L; Consultancies and other services for road and local transport (Section I) by £800,000 to Section F and £245,000 to Section AD; Railways (Section L) by £2,145,000 to Section A, £334,000 to Section C, £31,000 to Section D, £18,000,000 to Section E, £9,000 to Section G, £5,000 to Section J, £33,100,000 to Section X, £166,000 to Section U, £205,000 to Section V, £11,345,000 to Section AA, £18,000,000 to Section AB, £825,000 to Section AF; Powershift and CleanUp (Section S) by £10,426,000 to Section L; GLA Transport Grant (capital) (Section AC) by £500,000 to Section AA; Other transport grants (resource) (Section AD) by £1,900,000 to Section AB; and Other transport grants (capital) (Section AE) by £503,000 to Section AC.

### **Increased spending offset by income**

### 3 Amount: £103,226,000

Sections: B, C, E, L, X, AD, AF

To increase resource provision for Maritime and Coastguard Agency (Section B) by £1,700,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Aviation services (Section C) by £3,232,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Highways Agency (Section E) by £7,793,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Railways (Section L) by £61,474,000 fully offset by increases in appropriation-in-aid.

To increase resource provision for Railways (Section L) by £1,646,000 fully offset by increases in appropriation in aid for Aviation services (Section C).

To increase resource provision for Central Administration (Section X) by £9,855,000 fully offset by increases in appropriation-in-aid.

## Introduction (*continued*)

To increase resource provision for Central Administration (Section X) by £5,000,000 fully offset by increases in appropriation-in-aid for Vehicle Excise Duty enforcement (Section P).

To increase resource provision for Other transport grants (resource) (Section AD) by £10,526,000 fully offset by increases in appropriation-in-aid for Railways (Section L).

To increase resource provision for Speed and red light camera enforcement (Section AF) by £2,000,000 fully offset by increases in appropriation-in-aid .

### **Reduction in income offset by increases in appropriation-in-aid**

Amount: £4,510,000

Section: P

To reduce appropriation-in-aid provision for Vehicle Excise Duty enforcement (Section P) by £4,510,000 fully offset by increases in appropriation-in-aid for Aviation services (Section C) (£3,767,000); Driving Standards Agency trading fund (Section U) (£218,000), Vehicle and Operator Services Agency trading fund (Section V) (£468,000) and Vehicle and Operator Services Agency enforcement (Section W) (£57,000).

#### 4. **Machinery of Government changes**

Amount: £0

Section: AM

To create a new administration provision of £17,153,000 and an appropriation-in-aid provision of £17,153,000 for the Government Car and Despatch Agency (Section AM) transferred from the Cabinet Office.

### **Decreases:**

#### **Transfer to non-voted spending:**

- |   |   |              |
|---|---|--------------|
| 1 | Amount: £585,080,000  | -585,080,000 |
|   | Sections: E, F, G, L, AD, AE  |              |
|   | To decrease resource provision for Highways Agency (Section E) by £31,604,000; Publicity and advice (Section F) by £600,000; Research (Section G) by £117,000; Railways (Section L) by £475,829,000; Other transport grants (resource) (Section AD) by £8,926,000 and Other transport grants (capital) (Section AE) by £68,004,000. |              |

#### **Transfer to other government departments**

- |   |  |            |
|---|--|------------|
| 2 | Amount: £6,588,000   | -6,588,000 |
|   | Sections: B, L   |            |
|   | To decrease resource provision for Maritime and Coastguard Agency (Section B) by £3,808,000 to the Ministry of Defence and Railways (Section L) by £2,280,000 by transfer to the Scottish Executive and £500,000 to the Office of Rail Regulation. |            |

## Introduction (*continued*)

	<b>Other decreases</b>	
	<b><u>Decrease in non-budget expenditure</u></b>	
3	Amount: £10,777,000 Section: AK	-10,777,000
	To decrease net non-budget provision for the Driver and Vehicle Licensing Agency trading fund (Section AK) by £10,777,000.	
	<b>Total changes in resources for RfR1</b>	256,563,000
	<b><u>Changes in capital</u></b>	
	<b>Increases:</b>	
	<b><u>Transfers from other government departments</u></b>	
	Amount: £415,000 Section: X	415,000
	To increase capital provision for Central Administration (Section X) by £415,000 from the Office of the Deputy Prime Minister in respect of their share of IT facilities.	
	<b><u>Machinery of Government changes</u></b>	1,110,000
	Amount: £1,110,000 Section: AM	
	To create a new capital provision of £1,260,000 and non-operating appropriation-in-aid provision of £150,000 for the Government Car and Despatch Agency (Section AM) transferred from the Cabinet Office.	
	<b><u>Neutral changes:</u></b>	
1	Transfers within RfR Amount: £13,500,000 Sections: U, V	
	To increase capital provision for Driving Standards Agency trading fund (Section U) by £6,000,000 from Section Z and Vehicle and Operator Service Agency trading fund (Section V) by £7,500,000 from Section Z.	
	Amount: (£13,500,000) Sections: Z	
	To decrease capital provision for Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £6,000,000 to Section U and £7,500,000 to Section V.	
	<b><u>Increased spending offset by income</u></b>	
	Amount: £7,965,000 Sections: A, C, E, W	
	To increase capital provision for Ports and shipping services (Section A) by £100,000 fully offset by increases in non-operating appropriation-in-aid for Aviation services (Section C)	
	To increase capital provision for Aviation services (Section C) by £400,000 fully offset by increases in non-operating appropriation-in-aid.	

## Introduction (*continued*)

To increase capital provision for Highways Agency (Section E) by £5,465,000 fully offset by increases in non-operating appropriation-in-aid.

To increase capital provision for Vehicle and Operator Services Agency enforcement (Section W) by £2,000,000 fully offset by increases in non-operating appropriation-in-aid for Aviation services (Section C).

### Decreases

#### Transfers to non-voted spending

1 Amount: £18,046,000 -18,046,000

Sections: A, C, E, H, U, V, X, Z

To decrease capital provision for Ports and shipping services (Section A) by £4,000,000; Aviation services (Section C) by £2,638,000; Highways Agency (Section E) by £1,293,000; Statistics, censuses and surveys (Section H) by £1,109,000; Driving Standards Agency trading fund (Section U) by £309,000; Vehicle and Operator Services Agency trading fund (Section V) by £880,000; Central Administration (Section X) by £5,500,000 and Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £2,317,000

#### Transfer to resource investment provision

Amount: £8,800,000 -8,800,000

Section: X, Z

To decrease capital provision for Central Administration (Section X) by £7,500,000 by transfer to Section Y.

To decrease capital provision for Driver, Vehicle and Operator Group Central (including loan pool) (Section Z) by £1,300,000 by transfer to Section V.

#### Transfer to capital grant provision

Amount: £422,000 -422,000

Section: H

To decrease capital provision for Statistics, censuses and surveys (Section H) by £422,000 by transfer to Section AE.

#### Change to non-budget

Amount: £1,879,000 -1,879,000

Section: AK

To increase non-operating appropriation-in-aid provision for the Driver and Vehicle Licensing Agency trading fund (Section AK) by £1,879,000 to cover the repayment of a vesting loan.



## Introduction (*continued*)

### Reduced resource spending offset by reduction in non-operating appropriation-in-aid

Amount: £390,000

390,000

Section: E

To reduce resource provision for Highways Agency (Section E) by £390,000 fully offset by reduction in non-operating appropriation-in-aid.

**Total changes in capital for Estimate**

-27,232,000

### **Changes to CFER's**

To increase provision for Humber Bridge Board by £262,000, Speed and red light camera enforcement by £22,000,000 and Driver and Vehicle Licensing Agency by £2,577,000 .

To increase provision for Highways Agency by £11,193,000 fully offset by increases in the non-voted Departmental Unallocated Provision.

2. As a result of the above and associated non-cash changes, there is no change in the net cash requirement of £ 10,814,085,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>	†	<b>256,563,000</b>
Total additional net resource requirement		256,563,000
<b>Additional net cash requirement</b>	†	<b>-</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department of Transport on:

**RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation**

ports and shipping services; trust ports; 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 and type approval testing of electronic screening devices for use in enforcing aviation provisions of the Railways and Transport Safety Bill; 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; 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 vehicle licensing staff; grants and loans and other expenditure relating to the Driver and Vehicle Licensing Agency (trading fund), Driver and Vehicle Licensing Agency excise duty collection and enforcement related activities, development and operation of systems associated with licensing; Vehicle and Operator Services Agency (trading fund); 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 railway services; 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 Office of the Deputy Prime Minister in respect of certain central services; the purchase, acquisition, hire, lease and rent of land, buildings, plant 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 of Transport** will account for this Estimate.

† The Government Car and Despatch Agency was transferred from the Cabinet Office on 14 February 2006. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government transfer are: (i) the Net Resource Requirement is unchanged but the gross expenditure and operating Appropriations in Aid are increased by £17,153,000; and (ii) the Net Cash Requirement is unchanged.

## 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
<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - A Ports and shipping services	10,524	3,077	-	3,077	13,601
RfR 1 - B Maritime and Coastguard Agency	122,812	-2,517	1,700	-4,217	118,595
RfR 1 - C Aviation services	20,883	3,043	8,645	-5,602	15,281
RfR 1 - D Transport security and royal travel	17,832	31	-	31	17,863
RfR 1 - E Highways Agency	1,748,358	345,032	7,793	337,239	2,085,597
RfR 1 - F Publicity and advice	21,478	3,400	-	3,400	24,878
RfR 1 - G Research	32,397	-8,486	-	-8,486	23,911
RfR 1 - H Statistics, censuses and surveys	15,130	-4,133	-	-4,133	10,997
RfR 1 - I Consultancies and other services for roads and local transport	6,090	-1,045	-	-1,045	5,045
RfR 1 - J Mobility and Inclusion Unit	4,353	541	-	541	4,894
RfR 1 - L Railways	2,035,453	-471,452	81,000	-552,452	1,483,001
RfR 1 - N Freight grants	31,808	5,200	-	5,200	37,008
RfR1 - P Vehicle Excise Duty enforcement	-58,940	-	-18,740	18,740	-40,200
RfR 1 - Q Vehicle Certification Agency enforcement	1,200	90	-	90	1,290
RfR 1 - S Power Shift and CleanUp	22,250	-10,426	-	-10,426	11,824
RfR 1 - U Driving Standards Agency trading fund	-237	166	218	-52	-289
RfR 1 - V Vehicle and Operator Services Agency trading fund	-1,294	1,505	468	1,037	-257
RfR 1 - W Vehicle and Operator Services Agency enforcement	13,959	-57	-	-57	13,902
RfR 1 - X Central administration	176,656	48,320	9,855	38,465	215,121
RfR 1 - Y Trans European network payments for transport projects (net)	1	7,500	-	7,500	7,501
RfR 1 - AA Other River Crossings	-	11,997	-	11,997	11,997
<i>Support for Local Authorities</i>					
RfR 1 - AB GLA Transport grant (resource)	1,428,985	19,900	-	19,900	1,448,885
RfR 1 - AC GLA Transport Grant (capital)	731,455	3	-	3	731,458
RfR 1 - AD Other transport grants (resource)	353,237	69,145	-	69,145	422,382
RfR 1 - AE Other transport grants (capital)	264,511	-67,485	-	-67,485	197,026

**Part II: Changes proposed (*continued*)**

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1 - AF Speed and red light camera enforcement	1	2,825	2,000	825	826
<b>Spending in Annually Managed Expenditure (AME)</b>					
<i>Central Government spending</i>					
RfR 1 - AG Highways Agency	2,620,983	968	-	968	2,621,951
RfR 1 - AH Railways	20,122	87,033	-	87,033	107,155
<b>Non-budget</b>					
RfR 1 - AI Strategic Rail Authority	1,739,800	304,204	-	304,204	2,044,004
RfR 1 - AJ Grant in aid funding of NDPBs	16,300	11,900	-	11,900	28,200
RfR 1 - AK Driver and Vehicle Licensing Agency trading fund	218,463	-9,988	789	-10,777	207,686
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR1 - AM Government Car and Despatch Agency	-	17,153	17,153	-	-
<b>Total RfR 1</b>		<b>367,444</b>	<b>110,881</b>	<b>256,563</b>	
<b>Total Changes to RfRs</b>		<b>367,444</b>	<b>110,881</b>	<b>256,563</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	856,773	-13,801	842,972
Non-Operating A in A	10,126	13,431	23,557
<b>Net cash requirement</b>	<b>10,814,085</b>	<b>-</b>	<b>10,814,085</b>

**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	
<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>								
<b>300,994</b>	<b>6,370,655</b>	<b>5,985,638</b>	<b>12,657,287</b>	<b>470,680</b>	<b>12,186,607</b>	<b>842,972</b>	<b>23,557</b>	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Ports and shipping services								
-	14,652	409	15,061	1,460	13,601	593	-	
B Maritime and Coastguard Agency								
-	127,815	80	127,895	9,300	118,595	9,400	-	
C Aviation services								
-	22,460	46,811	69,271	53,990	15,281	2,107	5,138	
D Transport security and royal travel								
-	11,163	6,700	17,863	-	17,863	680	-	
E Highways Agency								
98,683	2,031,029	-	2,129,712	44,115	2,085,597	767,735	12,325	
F Publicity and advice								
-	18,770	6,108	24,878	-	24,878	-	-	
G Research								
-	23,911	-	23,911	-	23,911	6,793	-	
H Statistics, censuses and surveys								
-	10,997	-	10,997	-	10,997	119	-	
I Consultancies and other services for roads and local transport								
-	4,730	405	5,135	90	5,045	-	-	
J Mobility and Inclusion Unit								
-	791	4,123	4,914	20	4,894	150	-	
K Strategic Transport Studies								
-	1,600	-	1,600	100	1,500	-	-	
L Railways								
-	983,704	586,255	1,569,959	86,958	1,483,001	-	-	
M Commission for Integrated Transport								
-	1,506	-	1,506	-	1,506	-	-	
N Freight grants								
-	-	37,008	37,008	-	37,008	-	-	
O Bus Services Operators Grant								
-	380,300	-	380,300	-	380,300	-	-	
P Vehicle Excise Duty enforcement								
-	-	-	-	40,200	-40,200	-	-	
Q Vehicle Certification Agency enforcement								
-	1,290	-	1,290	-	1,290	-	-	
R Vehicle Certification Agency								
-	8,595	-	8,595	8,227	368	300	-	
S Power Shift and CleanUp								
-	11,824	-	11,824	-	11,824	-	-	
T Dartford River Crossing								
-	-	-	-	69,700	-69,700	-	-	
U Driving Standards Agency trading fund								
-	558	-	558	847	-289	11,800	1,132	
V Vehicle and Operator Services Agency trading fund								
-	1,483	1,300	2,783	3,040	-257	20,700	2,933	
W Vehicle and Operator Services Agency enforcement								
-	13,902	-	13,902	-	13,902	2,000	-	
X Central administration								
185,158	45,998	-	231,156	16,035	215,121	19,218	-	
Y Trans European network payments for transport projects (net)								
-	-	7,501	7,501	-	7,501	-	-	

## 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	
<b>Z Driver, Vehicle and Operator Group Central (including loan pool)</b>								
-	-	-	-	-	-	117	-	
<b>AA Other River Crossings</b>								
-	27,654	-	27,654	15,657	11,997	-	-	
<b>Support for Local Authorities</b>								
<b>AB GLA Transport grant (resource)</b>								
-	-	1,448,885	1,448,885	-	1,448,885	-	-	
<b>AC GLA Transport Grant (capital)</b>								
-	-	731,458	731,458	-	731,458	-	-	
<b>AD Other transport grants (resource)</b>								
-	-	422,382	422,382	-	422,382	-	-	
<b>AE Other transport grants (capital)</b>								
-	-	197,026	197,026	-	197,026	-	-	
<b>AF Speed and red light camera enforcement</b>								
-	2,325	101,500	103,825	102,999	826	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Central government spending</b>								
<b>AG Highways Agency</b>								
-	2,621,951	-	2,621,951	-	2,621,951	-	-	
<b>AH Railways</b>								
-	-	107,155	107,155	-	107,155	-	-	
<b>Non-budget</b>								
<b>AI Strategic Rail Authority</b>								
-	-	2,044,004	2,044,004	-	2,044,004	-	-	
<b>AJ Grant in aid funding of NDPBs</b>								
-	-	28,200	28,200	-	28,200	-	-	
<b>AK Driver and Vehicle Licensing Agency trading fund</b>								
-	147	208,328	208,475	789	207,686	-	1,879	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Central government spending</b>								
<b>AL Haulage efficiency and modernisation projects</b>								
-	1,500	-	1,500	-	1,500	-	-	
<b>AM Government Car and Despatch Agency</b>								
17,153	-	-	17,153	17,153	-	1,260	150	
<b>Total for Estimate:</b>								
<b>300,994</b>	<b>6,370,655</b>	<b>5,985,638</b>	<b>12,657,287</b>	<b>470,680</b>	<b>12,186,607</b>	<b>842,972</b>	<b>23,557</b>	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>11,930,044</b>	<b>256,563</b>	<b>12,186,607</b>
<b>Voted capital items</b>			
Capital expenditure	856,773	-13,801	842,972
<i>Less: non-operating A in A</i>	<u>10,126</u>	<u>13,431</u>	<u>23,557</u>
<b>Total net voted capital</b>	<b>846,647</b>	<b>-27,232</b>	<b>819,415</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,613,273	78,782	-2,534,491
Depreciation	-368,380	-391,751	-760,131
New provisions and adjustments to previous provisions	-145,227	-121,916	-267,143
Profit/loss on sale of assets	-	-390	-390
Prior period adjustments	-	-	-
Other non-cash items	-530	-785	-1,315
Increase(+)/decrease (-) in stock	-	10,732	10,732
Increase(+)/decrease (-) in debtors	-	-13,779	-13,779
Increase(-)/decrease (+) in creditors	54,770	-108,603	-53,833
Use of provisions	<u>1,110,034</u>	<u>-111,050</u>	<u>998,984</u>
<b>Total accruals to cash adjustments</b>	<b>-1,962,606</b>	<b>-658,760</b>	<b>-2,621,366</b>
<b>Adjustment to reflect underspend in cash</b>	<b>-</b>	<b>429,429</b>	<b>429,429</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>10,814,085</b>	<b>-</b>	<b>10,814,085</b>

## 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>	
	<b>Income</b>	<b><i>Receipts</i></b>	<b>Income</b>	<b><i>Receipts</i></b>
Operating income not classified as A in A	112,640	<i>112,640</i>	148,410	<i>148,410</i>
Non-operating income not classified as A in A	3,758	<i>3,758</i>	4,020	<i>4,020</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b>116,398</b>	<b><i>116,398</i></b>	<b>152,430</b>	<b><i>152,430</i></b>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	265,900	
<b>Total Net Administration Costs</b>		<b>265,900</b>
<b>Net Programme Costs</b>		
RfR 1	11,774,567	
<b>Total Net Programme costs</b>		<b>11,774,567</b>
<b>Total Net Operating Cost</b>		<b>12,040,467</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>12,186,607</b>
CFERs		-148,410
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>11,453,927</b>



## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>12,186,607</b>
<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	-148,410
Other adjustments	2,270
<b>Net Operating Costs (Accounts)</b>	<b>12,040,467</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-934,882
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	30,058
voted expenditure outside the budget	642
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	136,878
resource consumption of non departmental public bodies	-49,888
unallocated resource provision	254,013
Other adjustments	-23,361
<b>Resource Budget Outturn (Budget)</b>	<b>11,453,927</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	9,562,821
Annually Managed Expenditure (AME)	1,891,106

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>819,415</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-390
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,020
capital spending by non departmental public bodies	25,359
capital grants to local authorities	934,882
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	1,407,400
capital spending by levy funded bodies	-
unallocated capital provision	12,628
Other adjustments	5,872
<b>Capital Budget Outturn (Budget)</b>	<b>3,201,146</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,201,536
Annually Managed Expenditure (AME)	-

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## 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.

<b>Request for Resources 1</b>	David Rowlands, Principal Accounting Officer and Permanent Head of Department
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David Rowlands as the Principal Accounting Officer (PAO) of the Department for Transport has personal responsibility for the proper presentation of the Department for Transport'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 any responsibilities for an assigned RfR, 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 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 Transport'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	
	2005-06 Provision	Non operating
	Operating A in A	A in A
<b>RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation</b>		
Ports and Shipping Services - section A	1,460	-
Maritime and Coastguard Agency - section B	9,300	-
Aviation services - section C	53,990	5,138
Highways Agency - section E	44,115	12,325
Consultancies and other services for roads and local transport - section I	90	-
Mobility and Inclusion unit - section J	20	-
Strategic Transport Studies - Section K	100	-
Vehicle and Excise Duty Enforcement - section P	40,200	-
Vehicle Certification Agency - section R	8,227	-
Dartford River Crossing - section T	69,700	-
Driving Standards Agency trading fund - section U	847	1,132
Vehicle and Operator Services Agency trading fund - section V	3,040	2,933
Central administration - section X	16,035	-
Other River Crossing - section AA	15,657	-
Speed and red light camera enforcement - section AF	102,999	-
Railways - section L	86,958	-
Government Car and Despatch Agency - section AM	17,153	150
Driver and Vehicle Licensing Agency trading fund - section AK	789	1,879
<b>Total RfR 1</b>	<b>470,680 *</b>	<b>23,557 **</b>

\*Amount that may be applied as 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 media and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-public bodies towards the cost of research, surveys and studies; receipts from the European Union including receipts relating to PHARE programmes, donations, legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; receipts for 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 inquiries 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 aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; receipts relating to the World Health Organisation study into airline travel and Deep Vein Thrombosis; repayments of loans or other payments made 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 seafaring 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 Office of the Deputy Prime Minister 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 and Despatch Agency; and receipts relating to the administration and operation of the department.

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## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

\*\* Amounts 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 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 payment under Section 63 of the Railways Act 1993 to Railtack 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.

<b>Total A in A</b>	<b>470,680</b>	<b>23,557</b>
<i>of which: Administration budgets</i>	<i>35,094</i>	<i>-</i>

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

		£'000	
		2005-06 provision	
		Income	Receipts
Humber Bridge Board	●	1,144	1,144
Tyne Tunnel	●	1,476	1,476
Second Mersey tunnel	●	1,400	1,400
Bus Service Operators grants	●	300	300
Maritime and Coastguard Agency	●	686	686
Driver and Vehicle Licensing Agency	●	112,592	112,592
Central administration	●	39	39
Channel tunnel receipts	●	1,600	1,600
Speed and red light camera enforcement		22,000	22,000
Highways Agency		11,193	11,193
<b>Total</b>		<b>152,430</b>	<b>152,430</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Transport's Departmental Expenditure Limit will change as follows:

	Change	New DEL		Total
		Voted	Non-voted	
Resource	756,809	6,275,072	3,287,749	9,562,821
<i>of which :Administration Budget</i>	5,365	265,900	4,023	269,923
Capital	-94,124	1,756,176	1,445,360	3,201,536
Depreciation*	-392,197	-760,131	-9,823	-769,954
<b>Total</b>	<b>270,488</b>	<b>7,271,117</b>	<b>4,723,286</b>	<b>11,994,403</b>

\*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  
494,237

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 of Rail Regulation

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## Introduction

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

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

**Changes in resources**

**Increases:**

Transfer from other Government Department

£500K resource expenditure required, to be funded from DfT in association with the merger of ORR and the Rail Safety element of the Health and Safety Executive, arising from the Railway Act 2005.

Amount £

500,000

**Total change in resources for RfR1**

500,000

2. As a result of the above and associated non-cash adjustments, there is no change to the net cash requirement of £6,097,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

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<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>	<b>500,000</b>
Total additional net resource requirement	500,000
<b>Additional net cash requirement</b>	<b>-</b>

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 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 and associated non-cash items

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



## Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - B Rail Safety Transition	2,000	500	-	500	2,500
<b>Total RfR 1</b>		<b>500</b>	<b>-</b>	<b>500</b>	
<b>Total Changes to RfRs</b>		<b>500</b>	<b>-</b>	<b>500</b>	

	£000		
	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	4,800	-	4,800
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>6,097</b>	<b>-</b>	<b>6,097</b>

## 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	
<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>								
16,501	-	-	16,501	16,500	1	4,800	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration, associated capital and other expenditure								
16,501	-	-	16,501	16,500	1	500	-	
B Rail Safety Transition								
2,500	-	-	2,500	-	2,500	4,300	-	
<b>Total for Estimate:</b>								
19,001	-	-	19,001	16,500	2,501	4,800	-	

## Part II: Resource to cash reconciliation

	Present	Increase (+) Decrease (-)	£'000 Revised
<b>Net total Resources</b>	<b>2,001</b>	<b>500</b>	<b>2,501</b>
<b>Voted capital items</b>			
Capital expenditure	4,800	-	4,800
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>4,800</b>	<b>-</b>	<b>4,800</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-50	-	-50
Depreciation	-600	-	-600
New provisions and adjustments to previous provisions	-25	-	-25
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-35	-500	-535
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>6</u>	<u>-</u>	<u>6</u>
Total accruals to cash adjustments	-704	-500	-1,204
<b>Excess cash to be CFERd</b>	-	-	-
<b>Net cash requirement</b>	<b>6,097</b>	<b>-</b>	<b>6,097</b>

## 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>204</i>	-	-
<b>Total</b>	<u>-</u>	<u><i>204</i></u>	<u>-</u>	<u>-</u>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
	RfR 1	<u>2,501</u>
<b>Total Net Administration Costs</b>		<b>2,501</b>
<b>Net Programme Costs</b>		
	RfR 1	<u>-</u>
<b>Total net programme costs</b>		<b>-</b>
<b>Total Net Operating Cost</b>		<b>2,501</b>
<i>of which:</i>		
	<b>Net Resource Outturn</b>	<b>2,501</b>
	CFERs	-
	Non-voted expenditure	-
<b>Resource Budget Outturn</b>		<b>2,501</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>2,501</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>2,501</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>2,501</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,501
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>4,800</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>4,800</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,800
Annually Managed Expenditure (AME)	-

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## Notes to the Estimate

### 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**      Bill Emery, Office of Rail Regulation

Bill Emery, the Accounting Officer (AO) of the Office for Rail Regulation, has personal responsibility for the proper presentation of the Office for National Statistics' 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 the assigned RfR, remains in general overall charge of the Office for 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 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 Office for National Statistics' policies, aims and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non- operating A in A
<b>RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation</b>		
Licence fees	16,500	-
<b>Total RfR 1</b>	<b>16,500</b> *	- **
<i>of which: Administration budgets</i>	-	-
** 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 community; income from recovery actions in connection with the successful outcome of judicial review; and receipts of licence fees.		
<b>Total A in A</b>	<b>16,500</b>	-

## Notes to the Estimate

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Office for National Statistics' Department Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	500	2,501	-	2,501
<i>of which :Administration Budget</i>	500	2,501	-	2,501
Capital DEL	-	4,800	-	4,800
Less depreciation *	-	-600	-	-600
<b>Total DEL</b>	500	6,701	-	6,701

\* 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	<b>£'000</b>
	16,500



# Office of the Deputy Prime Minister

## Introduction

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

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

8,532,000

To increase resource provision for Decent Places to Live (Section B) (£8,532,000) for Safer Communities Supported Housing fund.

##### Transfers to voted spend

36,968,000

To increase resource provision for Housing Supply and Demand (Section A) (£135,000); Decent Places to Live (Section B) (£12,000,000); Better Services (Section D) (£2,500,000); Housing Supply and Demand (Capital Grants to local authorities) (Section M) (£21,042,000) and Tackling Disadvantage (capital grants to local authorities) (Section P) (£1,291,000).

##### Transfers from Capital to resource

4,518,000

To increase resource provision for: Better Services (capital grants to local authorities) (Section R) by a transfer from Better Services (Section D) (£1,560,000); Housing Supply and Demand (Section L) by a transfer from Better Services (Section D) (£1,200,000); Decent Places to Live (Section N) by a transfer from Housing Demand and Supply (Section A) (£1,758,000).

##### Grant in Aid

19,772,000

To increase the grant in aid net provision for Housing Supply and Demand (Section AA) by £19,771,000: (English Partnerships £117,391,000, Housing Corporation (-£29,426,000) and Thames Gateway Delivery vehicle (-£68,194,000)) and Better Services (Section AC) (£1,000).

##### Increase in provision

50,000,000

To increase resource provision for Decent Places to Live (Section W) (£50,000,000) for Housing Revenue Accounts Subsidy.

##### Interdepartmental transfer

734,000

To increase the resource provision for: Central Administration (Section F) (£524,000) by a transfer from Cabinet Office and Government Office Administration (Section G) (£210,000) by a transfer from Department of Trade and Industry.

#### **Decreases:**

##### Transfers to non voted spend

-12,924,000

To decrease the resource provision for: Housing Supply and Demand (Section A) (£1,800,000); Decent Places to Live (Section B) (£6,598,000); Better Services (Section D) (£1,000) and Housing Supply and Demand (capital grants to local authorities) (Section M) (£4,525,000).

##### Machinery of Government changes

-1,531,000

To decrease Administration provision for Central Administration (Section F) (£1,513,000) and Government Office Administration (Section G) (£18,000) by a transfer to Department for Constitutional Affairs.

## Introduction (*continued*)

### Neutral Changes:

#### Spending offset by A-in-A

To increase the resource provision fully offset by appropriation in Aid for: Housing Supply and Demand (Section A) (£1,079,000); Decent Places to Live (Section B) (£40,000); Better Services (Section D) (£2,077,000); Central Administration (Section F) (£1,084,000); Government Offices (Section G) (£3,266,000); Better Services (Section Q) (£80,000); Housing Supply and Demand (Section AA) (-£100,000) and Decent Places to Live (Section AB) (£250,000).

-

**Total change in resources for RfR1**     **106,069,000**

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

#### Increases:

#### Invest to Save drawdown

To increase resource provision for Other Grants and Payments (resource grants) (Section H) (£2,000,000) and Other Grants and Payments (capital grants) (Section I) (£500,000).

2,500,000

#### Provision increase for NNDR Outturn adjustment

Increase in provision for Non Domestic Rates Outturn Adjustments and LABGIS (Section J) (£14,000,000).

14,000,000

#### Grant in Aid

To increase the grant in aid provision for Non Departmental public bodies (Section K) (£1,074,000).

1,074,000

#### Decreases:

#### Machinery of Government changes

To decrease the resource provision for Local Government Research and Publicity, Mapping costs and Electoral law (Section C) by a transfer to Department for Constitutional Affairs to complete funding gap (£59,000).

-59,000

#### Transfers to non voted spend

Transfer from Best value inspection subsidies to Public Corporations & best value intervention costs (Section B) (£1,130,000) to Valuation Tribunals.

-1,130,000

**Total change in resources for RfR2**     **16,385,000**

**Total change in resources for Estimate**     **122,454,000**

### Changes in capital

#### Decreases:

#### Transfers to other Government departments

To decrease the capital provision for: Better Services (Section D) by a transfer to Wales for purchase of New Dimension equipment following devolution.

-3,157,000

#### Transfers to Departmental Unallocated Provisions (DUP)

To decrease capital provision for Better Services (Section D) (£6,652,000) by a transfer to DUP

-6,652,000

## Introduction (*continued*)

Transfers to resource provision -4,518,000

To decrease the capital provision for: Better Services (Section D) by a transfer to Better Services (capital grants to local authorities) (Section R) (£1,560,000); Better Services (Section D) by a transfer to Housing Supply and Demand (Section L) (£1,200,000); Housing Demand and Supply (Section A) by a transfer to Decent Places to Live (Section N) (£1,758,000).

Transfers to other Government departments -415,000

To decrease Administration provision for Central Administration (Section F) (£415,000) by a transfer to Department for Transport.

### Neutral Changes:

Spending offset by A-in-A -

To increase the capital provision fully offset by Appropriation in Aid for Better Services (Section D) (£2,616,000).

**Total change in capital for Estimate -14,742,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £102,904,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>	† 106,069,000
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>	† 16,385,000
Total additional net resource requirement	122,454,000
<b>Additional net cash requirement</b>	† 102,904,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office of the Deputy Prime Minister 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; renewal of private sector housing; 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 choice-based local authority lettings; council tenant participation; housing transfers; procurement efficiency and social housing; 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; payments to the 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 (including ERDF match funding); exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; 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; payments and loans to the Fire Service College (trading fund); fire service superannuation; fire service dispute(s); payments to Firebuy; mapping data and services; Ordnance Survey trading fund; regional assemblies, payments for the Mersey Basin Campaign; special grants paid under section 88B of the Local Government Finance Act 1988; special grants paid under Section 31 of the Local Government Act 2003; 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 Teenage Pregnancy 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 2004-05 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 in England; mapping and other costs associated with local government reviews and revisions to administrative and electoral grant-in-aid to the Standards Board for England and to Valuation Tribunal Service; payments in respect of the work of the Parliamentary Boundary commissions; electoral functions in the United Kingdom; 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 **Office of the Deputy Prime Minister** will account for this Estimate.

† The function of the Boundary Commission was transferred to the Department for Constitutional Affairs with effect from 1 April 2005. The changes relating to this machinery of government transfer are (i) the net resource requirement (RfR 1) is reduced by £1,310,000; and (ii) the net cash requirement is reduced by £1,310,000.

† The function of the Policy on the Conduct of Local Government Elections was transferred to the Department for Constitutional Affairs with effect from 1 April 2005. The changes relating to this machinery of government transfer are (i) the net resource requirement for RfR 1 is reduced by £221,000 and RfR 2 by £59,000; and (ii) the net cash requirement is reduced by £280,000.

## 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
<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Housing Supply and Demand	98,596	-466	1,079	-1,545	97,051
RfR 1 - B Decent Places to Live	76,833	10,609	40	10,569	87,402
RfR 1 - C Tackling Disadvantage	139,637	4,018	-	4,018	143,655
RfR 1 - D Better Services	94,410	-11,442	2,077	-13,519	80,891
RfR 1 - F Central Administration	219,450	18	1,084	-1,066	218,384
RfR 1 - G Government Office Administration	139,604	3,535	3,266	269	139,873
RfR 1 - K Queen Elizabeth II Conference Centre Executive Agency	-1,406	117	-	117	-1,289
RfR 1 - L Housing Supply and Demand	141,580	660	-	660	142,240
RfR 1 - M Housing Supply and Demand (capital grants to local authorities)	487,437	24,375	-	24,375	511,812
RfR 1 - N Decent Places to Live (capital grants to local authorities)	50,415	-110,188	-	-110,188	-59,773
RfR 1 - O Tackling Disadvantage	1,965,011	-1,100	-	-1,100	1,963,911
RfR 1 - P Tackling Disadvantage (capital grants to local authorities)	149,299	108,079	-	108,079	257,378
RfR 1 - Q Better Services	15,286	12,797	80	12,717	28,003
RfR 1 - R Better Services (capital grants to local authorities)	5,000	1,560	-	1,560	6,560
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - W Decent Places To Live	754,367	50,000	-	50,000	804,367
<b>Non-budget</b>					
RfR 1 - AA Housing Supply and Demand	2,128,627	19,671	-100	19,771	2,148,398
RfR 1 - AB Decent Places to Live	-	1,601	250	1,351	1,351
RfR 1 - AC Better Services	-	1	-	1	1
<b>Total RfR 1</b>		<b>113,845</b>	<b>7,776</b>	<b>106,069</b>	

**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
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 2 - B	26,037	-4,550	-	-4,550	21,487
RfR 2 - C	8,140	-1	254	-255	7,885
RfR 2 - H	769,812	5,616	-	5,616	775,428
RfR 2 - I	378,740	500	-	500	379,240
RfR 2 - J	641,000	14,000	-	14,000	655,000
<b>Non-budget</b>					
RfR 2 - K	20,724	1,074	-	1,074	21,798
<b>Total RfR 2</b>		<b>16,639</b>	<b>254</b>	<b>16,385</b>	
<b>Total Changes to RfRs</b>		<b>130,484</b>	<b>8,030</b>	<b>122,454</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	103,073	-12,126	90,947
Non-Operating A in A	104	2,616	2,720
<b>Net cash requirement</b>	<b>55,982,763</b>	<b>102,904</b>	<b>56,085,667</b>

**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
<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>							
371,811	1,085,608	7,444,316	8,901,735	188,169	8,713,566	90,947	2,720
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A	Housing Supply and Demand						
	2,625	90,552	14,144	107,321	10,270	97,051	5,086
B	Decent Places to Live						
	-	12,496	74,946	87,442	40	87,402	920
C	Tackling Disadvantage						
	-	48,993	94,662	143,655		143,655	-
D	Better Services						
	1	83,917	5,800	89,718	8,827	80,891	64,272
E	Development of English Regions						
	-	520	1,230,041	1,230,561	-	1,230,561	-
F	Central Administration						
	213,339	37,984	-	251,323	32,939	218,384	16,929
G	Government Office Administration						
	155,845	-	-	155,845	15,972	139,873	3,460
H	European Structural Funds (net)						
	-	-	1	1	-	1	-
I	European Structural funds - ODPM						
	-	5,292	2	5,294	-	5,294	280
J	Ordnance Survey						
	-	1,320	-	1,320	1,340	-20	-
K	Queen Elizabeth II Conference Centre Executive Agency						
	1	117	2	120	1,409	-1,289	-
<i>Support for Local Authorities</i>							
L	Housing Supply and Demand						
	-	-	142,240	142,240	-	142,240	-
M	Housing Supply and Demand (capital grants to local authorities)						
	-	-	511,812	511,812	-	511,812	-
N	Decent Places to Live (capital grants to local authorities)						
	-	-	43,227	43,227	103,000	-59,773	-
O	Tackling Disadvantage						
	-	-	1,963,911	1,963,911	-	1,963,911	-
P	Tackling Disadvantage (capital grants to local authorities)						
	-	-	257,378	257,378	-	257,378	-
Q	Better Services						
	-	-	28,083	28,083	80	28,003	-



**Part II: Revised subhead detail including additional provision (cont.)**

		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	Better Services (capital grants to local authorities)	-	-	6,560	6,560	-	6,560	-	-
S	Development of English Regions	-	-	102,163	102,163	-	102,163	-	-
T	Development of English Regions (capital grants to local authorities)	-	-	172,000	172,000	1,500	170,500	-	-
U	European Structural Funds (net)	-	-	1	1	-	1	-	-
V	European Structural Funds (net) (capital grants to local authorities)	-	-	1	1	-	1	-	-
	<i>Decent Places To Live</i>	-	-	-	-	-	-	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central government spending</i>									
W	Decent Places To Live	-	804,367	-	804,367	-	804,367	-	-
X	Better Services	-	50	-	50	-	50	-	-
<i>Support for Local Authorities</i>									
Y	Housing Supply and Demand	-	-	18,800	18,800	-	18,800	-	-
Z	Decent Places to Live (capital grants to local authorities)	-	-	616,000	616,000	-	616,000	-	-
<b>Non-budget</b>									
AA	Housing Supply and Demand	-	-	2,160,940	2,160,940	12,542	2,148,398	-	-
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Support for Local Authorities</i>									
AB	Decent Places to Live	-	-	1,601	1,601	250	1,351	-	-
<b>Non-budget</b>									
AC	Better Services	-	-	1	1	-	1	-	-
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>									
		-	230,499	47,013,355	47,243,854	719	47,243,135	-	-
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A	Valuation Services	-	193,450	-	193,450	-	193,450	-	-
B	Best value inspection subsidies to Public Corporations & best value intervention costs	-	21,487	-	21,487	-	21,487	-	-

**Part II: Revised subhead detail including additional provision (cont.)**

		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	
C	Local Government Research and Publicity, MAPPING costs and Electoral law	-	8,604	719	7,885	-	-	
D	Local Governance	33	33	-	33	-	-	
<i>Support for Local Authorities</i>								
E	Revenue support grants	27,151,321	27,151,321	-	27,151,321	-	-	
F	Non-domestic Rates Payments	18,000,000	18,000,000	-	18,000,000	-	-	
G	London Governance	37,493	37,493	-	37,493	-	-	
H	Other Grants and Payments (resource grants)	6,925	775,428	-	775,428	-	-	
I	Other Grants and Payments (capital grants)	379,240	379,240	-	379,240	-	-	
J	Non-domestic Rates Outturn Adjustments and LABGIS	655,000	655,000	-	655,000	-	-	
<b>Non-budget</b>								
K	Non-departmental public bodies	21,798	21,798	-	21,798	-	-	
<b>Total for Estimate:</b>								
<b>371,811</b>	<b>1,316,107</b>	<b>54,457,671</b>	<b>56,145,589</b>	<b>188,888</b>	<b>55,956,701</b>	<b>90,947</b>	<b>2,720</b>	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>55,834,247</b>	<b>122,454</b>	<b>55,956,701</b>
<b>Voted capital items</b>			
Capital expenditure	103,073	-12,126	90,947
<i>Less: non-operating A in A</i>	<u>104</u>	<u>2,616</u>	<u>2,720</u>
<b>Total net voted capital</b>	<b>102,969</b>	<b>-14,742</b>	<b>88,227</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-5,866	975	-4,891
Depreciation	-12,722	-10,783	-23,505
New provisions and adjustments to previous provisions	-11,422	5,000	-6,422
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	2,025	-	2,025
Increase(-)/decrease (+) in creditors	61,086	-	61,086
Use of provisions	<u>12,446</u>	<u>-</u>	<u>12,446</u>
<b>Total accruals to cash adjustments</b>	<b>45,547</b>	<b>-4,808</b>	<b>40,739</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>55,982,763</b>	<b>102,904</b>	<b>56,085,667</b>

## 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 are payable to the Consolidated Fund (cash receipts being shown in italics):

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	2,325,916	2,325,715	2,364,916	2,364,715
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	-	-	-	-
<b>Total</b>	<b>2,325,916</b>	<b>2,325,715</b>	<b>2,364,916</b>	<b>2,364,715</b>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
RfR 1	335,963	
RfR 2	-	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>335,963</b>
<b>Net Programme Costs</b>		
RfR 1	6,012,687	
RfR 2	47,243,135	
	<hr/>	
<b>Total Net Programme costs</b>		<b>53,255,822</b>
<b>Total Net Operating Cost</b>		<b>53,591,785</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>55,956,701</b>
CFERs		-2,364,916
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>53,157,716</b>
<hr/>		

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>55,956,701</b>
<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	-2,364,916
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>53,591,785</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-2,020,540
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	228,235
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	1,794,666
resource consumption of non departmental public bodies	-516,755
unallocated resource provision	4,719
Other adjustments	75,606
<b>Resource Budget Outturn (Budget)</b>	<b>53,157,716</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	52,248,583
Annually Managed Expenditure (AME)	909,133

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>88,227</b>
<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	497,749
capital grants to local authorities	2,020,540
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	1,811,228
capital spending by levy funded bodies	-
unallocated capital provision	11,112
Other adjustments	130,000
<b>Capital Budget Outturn (Budget)</b>	<b>4,558,856</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,942,856
Annually Managed Expenditure (AME)	616,000

## 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.

<b>Request for Resources 1</b>	Peter Housden, Permanent Head of the Office of the Deputy Prime Minister
<b>Request for Resources 2</b>	Neil Kinghan, Additional Accounting Officer and Director General of the Local and Regional Governance Group of the Office

Peter Housden, as the Principal Accounting Officer (PAO) of the Office of the Deputy Prime Minister 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 Office of the Deputy Prime Minister.

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 Office of the Deputy Prime Minister'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 appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	operating A in A
<b>RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions</b>		
Housing Supply and Demand – Section A	10,270	-
Decent Places to Live – Section B	40	-
Better Services – Section D	8,827	2,638
Central Administration – Section F	32,939	-
Government Office Administration - Section G	15,972	-
Ordnance Survey - Section J	1,340	-
Queen Elizabeth II Conference Centre Executive Agency Section – Section K	1,409	82
Decent Places to Live (capital grants to local authorities) – Section N	103,000	-
Better Services - Section Q	80	-
Development of English Regions (capital grants to local authorities – Section T	1,500	-
Housing Supply and Demand - Section AA	12,542	-
Decent Places to Live - Section AB	250	-
<b>Total RfR 1</b>	<b>188,169 *</b>	<b>2,720 **</b>
*Amount that may be applied as 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, devolved administrations; 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; receipts from the Academy for Sustainable Communities; 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; fire service dispute(s); dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue central 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 local authorities in respect of fire services; licence fee income generated from the sale of software licence(s); 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 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.		
** Amounts 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.		
<b>RfR 2: Providing for effective devolved decision making within a national framework</b>		
Local government research and publicity, and Local Government Commission mapping costs and electoral law – Section C	719	-
<b>Total RfR 2</b>	<b>719 *</b>	<b>-</b>
*Amount that may be applied as appropriation 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.		
<b>Total A in A</b>	<b>188,888</b>	<b>2,720</b>
<i>of which: Administration budgets</i>	-	-

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	Receipts
	Income	Receipts
Large Scale Voluntary Transfer Levy	40,666	40,666
Planning Inspectorate Executive Agency (fees received from appeals against enforcement notices)	190	-
Central administration	11	-
Pooled housing capital receipts from local authorities	1,754,000	1,754,000
Housing Revenue Subsidy	570,049	570,049
<b>Total</b>	<b>2,364,916</b>	<b>2,364,715</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Departmental Expenditure Limit for the Office of the Deputy Prime Minister will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-23,917	50,385,982	1,862,601	52,248,583
<i>of which : Administration Budget</i>	<i>454</i>	<i>335,812</i>	<i>-</i>	<i>335,812</i>
Capital	68,685	1,622,767	2,320,089	3,942,856
Depreciation*	-10,783	-23,505	-2,556	-26,061
<b>Total</b>	<b>33,985</b>	<b>51,985,244</b>	<b>4,180,134</b>	<b>56,165,378</b>

\*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  
191,608

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:

Subhead	Service	■	£'000
B	Robust Details Scheme		150



## Notes to the Estimate (*continued*)

### Grants in Aid

A number of grants in aid in excess of £1 million are borne on these Requests for Resources

<b>RfR 1</b>	<b>£ million</b>
Urban Regeneration Agency	402.6
Housing Corporation	1,695.6
Housing Corporation - Thames Gateway	0.7
South East England Development Agency	16.9
East England Development Agency	16.7
Thurrock Urban Development Agency	♥ 18.3
London Urban Development Corporation	♥ 8.4
West Northamptonshire Urban Development Corporation	♥ 1.7
 <b>RfR 2</b>	
Standards Board for England	9.2
Valuation Tribunal Service	12.6



# Home Office

## Introduction

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

	Amount £
<b><u>Changes in resources</u></b>	
<b>RfR 1: Building a safe, just and tolerant society</b>	
<b>Increases:</b>	
<u>Take up of End-Year Flexibility:</u>	
1. Increase in grant in aid to section AA. This represents drawdown of EYF capital to the National Crime Squad for SOCA Airwave Handsets.	13,000,000
2. Capital grant to section AL for the Safer Hospitals Project. All EYF is near cash.	132,000
<u>Transfers from non-voted spending:</u>	
1. Take up of Departmental Unallocated Provision: Admin to section A to help meet budgetary pressures.	54,728,000
Programme to section A to help meet budgetary pressures.	5,039,000
<u>Increase in grant in aid to NDPB's:</u>	
1. Increase in grant-in-aid to section AI to cover the Commission for Racial Equality's costs associated with the release of a provision.	15,350,000
2. Increase in grant-in-aid to section AD for funding associated with the transfer of capital from section I to the National Probation Service (Local Area Boards).	2,233,000
<u>Switch from non-voted to voted:</u>	
1. Programme from the Criminal Cases Review Commission to section F in return for capital.	163,000
<u>Other increases:</u>	
1. Programme to section F to support the "No Witness No Justice" partnership programme to improve services to prosecution witnesses in criminal cases. This is a re-allocation of resource DEL budgetary cover from the Crown Prosecution Service to the Home Office.	173,000
2. Capital grant to section F to support the "No Witness No Justice" partnership programme to improve services to prosecution witnesses in criminal cases. This is a re-allocation of capital DEL budgetary cover from the Crown Prosecution Service to the Home Office.	394,000
3. Admin to section O for the costs of legal and parliamentary fees. Transfer of budgetary cover from Cabinet Office to the Home Office.	1,892,000
4. Programme to section F returning unused funding for the Effective Trial Management information technology programme. Transfer of budgetary cover from the Department for Constitutional Affairs to the Home Office.	1,310,000
5. Increase in capital grant to section T for the purchase of Airwave Equipment for work transferring to SOCA in 2006-07. Offsetting receipts are shown in the capital section below.	2,800,000
<b>Decreases:</b>	
<u>Machinery of government change:</u>	
1. Admin from section O for transferring legal staff costs as part of the Machinery of Government change for the transfer of the Coroners Unit from the Home Office to the Department for Constitutional Affairs.	-78,000
2. Admin from section G for the Machinery of Government change for the transfer of the Coroners Unit from the Home Office to the Department for Constitutional Affairs.	-957,000
3. Programme from section G for the Machinery of Government change for the transfer of the Coroners Unit from the Home Office to the Department for Constitutional Affairs.	-650,000

## Introduction (*continued*)

### Other decreases:

1. Programme from section D as a contribution to the Security and Intelligence Agencies.	-5,000,000
2. Programme from section D to fund the National Infrastructure Security Co-ordination Centre.	-7,000,000
3. Programme from section D for a contribution towards the Joint Terrorism Analysis Centre.	-250,000
4. Capital grant from section T for a contribution towards the Joint Terrorism Analysis Centre. Reflects transfers of budgetary cover to Cabinet Office from the Home Office.	-530,000
5. Programme from section F to fund the recommissioning of a test environment for Exchange Service Stream Release 1 (EXISS R1) and enhancements to the Witness Management System. Reflects a transfer of budgetary cover to the Crown Prosecution Service from the Home Office.	-550,000
6. Programme from section F to provide additional resources from the Criminal Justice IT funding reserve.	-3,030,000
7. Programme from section F to provide funding for the 21st Century CJ System and for the Enforcement programme. Reflects transfers of budgetary cover to the Department for Constitutional Affairs from the Home Office.	-300,000
8. Programme from section K to fund prison education allocations.	-1,483,000
9. Programme from section L as a contribution to the Offenders Learning and Skills Service.	-500,000
10. Programme from section G for funding the Agency for Culture & Change Management (ACCM). Reflects a transfer of budgetary cover to the Department for Education and Skills from the Home Office.	-75,000
11. Admin from section G for funding the Equalities Review.	-24,000
12. Programme from section G for funding the Equalities Review.	-77,000
13. Programme from section G for equality and human rights work in relation to the Equalities Bill. Reflects a transfer of budgetary cover to the Department of Trade and Industry from the Home Office.	-229,000
14. Programme from section D to fund counter narcotics work in Afghanistan. Reflects a transfer of budgetary cover to the Foreign & Commonwealth Office from the Home Office.	-4,000,000

### **Neutral Changes:**

#### Spending offset by income

1. Increase in programme of £185,000 to section O for collaborative research programmes offset by additional appropriations in aid.	-
2. Decrease in appropriations in aid of £15,000,000 in section K and matching reduction in expenditure.	-
3. Increase in programme of £25,000,000 in section M as a result of increased managed migration receipts.	-
4. Increase in programme of £39,730,000 in section E for the Young Peoples Substance Misuse Partnership Grant offset by additional appropriations in aid.	-
5. Increase in programme of £1,800,000 in section D to cover additional costs of the Cyclamen Programme offset by additional appropriations in aid.	-

#### Movements of provision within the RfR

1. £625,000 programme from section F to section I for training on the National Offender Management Information system and the mobile email system required by HMPS operational business.	-
2. £200,000 programme from section I to section O for scientific and technical security work.	-
3. £166,000 programme from section I to section K to fund the Dangerous & Severe Personality Disorder Unit at HMP Frankland.	-
4. £900,000 programme from section K to section I to provide additional resources for the Shared Access Project in accordance with the 2005/06 CJIT Delivery Plan.	-
5. £6,500,000 programme from section I section K for the Phoenix Project.	-
6. £5,568,000 programme from section I to section K to fund escorts maintenance costs	-
7. £201,000 programme from section K to section J for funding the contracted Estate.	-

## Introduction (*continued*)

8. £13,782,000 programme from section I to section K for capacity issues within the Prison Estate.	-
9. £50,000 admin from section I to section O for internal audit services.	-
10. £1,054,000 programme from section F to section A for an information technology programme.	-
11. £211,000 admin and £2,400,000 programme from section A to section O in respect of the transfer of responsibility for R&D functions from CRCSG to SRG.	-
12. £220,000 admin from section E to section B in respect of the transfer of responsibility for DSD functions.	-
13. £752,000 programme from section A to section F for contribution to DCS interviews.	-
14. £1,000,000 programme from section D to section B for alcohol disorder and prolific offenders.	-
15. £200,000 programme from section B to section O in respect of vehicle crime.	-
16. £290,000 admin from section I to section O for transfer of staff.	-

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

1. £97,000 programme from section F to section AG to cover additional pay costs.	-
2. £400,000 programme from section I to section AE for superannuation charges.	-
3. £3,000,000 programme from section I to section AE for the Youth Inclusion Programmes.	-
4. £400,000 programme from section A to section X for the communication marketing strategy.	-
5. £1,200,000 programme from section I to section AC for dealing with oral cases for lifers and extended sentences.	-
6. £365,000 programme from section F to section AE for the 'Re-planning and Re-proving' related IT programme.	-
7. £32,800,000 programme from section A to section W in respect of Impact, Pentip and Airwave activities.	-
8. £3,525,000 programme from section A to section W for Livescan resource allocation.	-
9. £700,000 programme from section A to section X in respect of communications strategy and 'Acquisitive Crime Portfolio'.	-
10. £900,000 programme from section I to section AD for maintenance costs.	-

**Total change in resources for RfR1      72,481,000**

### Changes in capital

#### Decreases:

##### Switch from voted to non-voted:

1. Capital from section F to Criminal Cases Review Commission in return for programme.	-163,000
2. Capital from section I to National Probation Service (Local Area Boards).	-2,233,000

##### Other decreases:

1. Increase in capital receipts to section T for the purchase of Airwave Equipment for work transferring to SOCA in 2006-07. Offsetting grant expenditure is shown in the resource section above.	-2,800,000
2. Capital from section F to provide additional resources for Effective Trial Management Programme (ETMP) and the North Merseyside Local Criminal Justice Board's information technology programmes.	-2,120,000

##### Movements of provision within the RfR:

1. £625,000 capital from section F to section I for training on the National Offender Management Information system and the mobile email system required by HMPS operational business.	-
2. £500,000 capital from section I to section K for capital projects and equipment.	-
3. £2,285,000 capital from section I to section K to fund capital projects.	-
4. £11,000,000 capital from A to section F to provide additional resources for the Criminal Justice System Exchange Information Technology Programme.	-

## Introduction (*continued*)

Spending offset by income:

- |  |   |
|--|---|
| 1. Increase in capital of £609,000 in section I for capital projects at HMP Acklington, Full Sutton & Glen Parva offset by additional appropriations in aid. | - |
| 2. Increase in capital of £100,000 in section K for improved health care facilities at Lincoln Prison offset by additional appropriations in aid             | - |

**Total change in capital for Estimate      -7,316,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £65,165,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Building a safe, just and tolerant society</b>	†	<b>72,481,000</b>
Total additional net resource requirement		72,481,000
<b>Additional net cash requirement</b>	†	<b>65,165,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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; criminal injuries compensation; organised and international crime; control of immigration and nationality (including the provision of services relating to the Immigration and Asylum Act 2002); support for asylum seekers 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 NDPB's; placements in secure accommodation under Sections 90 or 91 of the Powers of Criminal Courts (Sentencing) Act 2000; administration and 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; and associated non-cash items.

The Home Office will account for this Estimate.

† The function of the Coroners Unit was transferred to the Department for Constitutional Affairs on 1 June 2005. The changes relating to this machinery of government transfer are (i) the net resource requirement (RfR1) is reduced by £1,685,000; and (ii) the net cash requirement is reduced by £1,685,000.

## 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
<b>RfR 1: Building a safe, just and tolerant society</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Police	558,425	54,337	-	54,337	612,762
RfR 1 - B Crime reduction	212,640	970	-	970	213,610
RfR 1 - D Organised and international crime	281,136	-15,450	1,800	-17,250	263,886
RfR 1 - E Drugs	194,826	39,510	39,730	-220	194,606
RfR 1 - F Criminal justice	100,183	-5,127	-	-5,127	95,056
RfR 1 - G Communities group	152,611	-2,012	-	-2,012	150,599
RfR 1 - I Corrections HQ	247,726	-30,531	-	-30,531	217,195
RfR 1 - J Prisons - private sector	147,186	201	-	201	147,387
RfR 1 - K Prisons - public sector	2,284,033	8,432	-15,000	23,432	2,307,465
RfR 1 - L Probation HQ	172,204	-500	-	-500	171,704
RfR 1 - M Immigration and Nationality	1,511,094	25,000	25,000	-	1,511,094
RfR 1 - O Central services	250,235	5,350	185	5,165	255,400
RfR 1 - Q Police grants	4,932,774	-32,750	-	-32,750	4,900,024
RfR 1 - T Organised and international crime grants	53,014	2,270	-	2,270	55,284
<b>Non-budget</b>					
RfR 1 - W Police Information Technology Organisation	302,821	36,325	-	36,325	339,146
RfR 1 - X Central Police Training and Development Agency	93,161	1,100	-	1,100	94,261
RfR 1 - AA National Crime Squad	198,686	13,000	-	13,000	211,686
RfR 1 - AC Parole Board grant and non-budget PFI charges	4,213	1,200	-	1,200	5,413
RfR 1 - AD National Probation Service (local area boards)	779,531	3,133	-	3,133	782,664
RfR 1 - AE Youth Justice Board	417,160	3,765	-	3,765	420,925
RfR 1 - AG Criminal Cases Review Commission	7,350	97	-	97	7,447
RfR 1 - AI Commission for Racial Equality	19,100	15,350	-	15,350	34,450
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - AK Criminal justice grants	-	394	-	394	394
RfR 1 - AL Other grants	-	132	-	132	132



**Part II: Changes proposed (*continued*)**

Resources					£'000
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>Total RfR 1</b>		<b>124,196</b>	<b>51,715</b>	<b>72,481</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	598,725	-3,807	594,918
Non-Operating A in A	36,899	3,509	40,408
<b>Net cash requirement</b>	<b>13,546,410</b>	<b>65,165</b>	<b>13,611,575</b>

**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	
<b>RfR 1: Building a safe, just and tolerant society</b>								
924,532	4,894,160	8,549,902	14,368,594	908,455	13,460,139	594,918	40,408	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Police								
116,993	32,550	469,685	619,228	6,466	612,762	5,310	1,499	
B Crime reduction								
12,172	31,157	170,281	213,610	-	213,610	304	-	
C Criminal Records Bureau								
82,083	-	-	82,083	82,083	-	-	-	
D Organised and international crime								
22,878	74,654	168,586	266,118	2,232	263,886	19,610	-	
E Drugs								
6,841	-	228,007	234,848	40,242	194,606	-	-	
F Criminal justice								
22,064	60,062	33,505	115,631	20,575	95,056	45,238	-	
G Communities group								
13,581	27,732	109,286	150,599	-	150,599	108	-	
H Futurebuilders								
-	-	58,000	58,000	-	58,000	-	-	
I Corrections HQ								
30,342	218,320	3,415	252,077	34,882	217,195	93,975	33,009	
J Prisons - private sector								
759	146,628	-	147,387	-	147,387	-	-	
K Prisons - public sector								
130,817	2,561,706	-	2,692,523	385,058	2,307,465	206,097	3,100	
L Probation HQ								
10,790	149,596	11,318	171,704	-	171,704	32,000	-	
M Immigration and Nationality								
122,586	1,552,050	35,150	1,709,786	198,692	1,511,094	127,976	-	
N Passport Service								
126,000	5	-	126,005	126,000	5	61,900	-	
O Central services								
226,626	39,700	280	266,606	11,206	255,400	2,400	-	
P European Refugee Fund								
-	-	1	1	-	1	-	-	
<i>Support for Local Authorities</i>								
Q Police grants								
-	-	4,900,024	4,900,024	-	4,900,024	-	-	

**Part II: Revised subhead detail including additional provision (cont.)**

		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	Loan charges	-	-	13,060	13,060	-	13,060	-	-
S	Crime reduction grants	-	-	32,585	32,585	-	32,585	-	-
T	Organised and international crime grants	-	-	55,284	55,284	-	55,284	-	2,800
U	Immigration and Nationality grants	-	-	506	506	-	506	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central government spending</i>									
V	Police superannuation	-	-	5,157	5,157	1,019	4,138	-	-
<b>Non-budget</b>									
W	Police Information Technology Organisation	-	-	339,146	339,146	-	339,146	-	-
X	Central Police Training and Development Agency	-	-	94,261	94,261	-	94,261	-	-
Y	Independent Police Complaints Commission	-	-	27,467	27,467	-	27,467	-	-
Z	National Criminal Intelligence Service	-	-	82,511	82,511	-	82,511	-	-
AA	National Crime Squad	-	-	211,686	211,686	-	211,686	-	-
AB	Security Industry Authority	-	-	1	1	-	1	-	-
AC	Parole Board grant and non-budget PFI charges	-	-	5,413	5,413	-	5,413	-	-
AD	National Probation Service (local area boards)	-	-	782,664	782,664	-	782,664	-	-
AE	Youth Justice Board	-	-	420,925	420,925	-	420,925	-	-
AF	Criminal Injuries Compensation Authority	-	-	243,995	243,995	-	243,995	-	-
AG	Criminal Cases Review Commission	-	-	7,447	7,447	-	7,447	-	-
AH	Community Development Foundation	-	-	1,458	1,458	-	1,458	-	-
AI	Commission for Racial Equality	-	-	34,450	34,450	-	34,450	-	-
AJ	Office of the Immigration Service Commissioner	-	-	3,822	3,822	-	3,822	-	-

**Part II: Revised subhead detail including additional provision (*cont.*)**

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	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
AK Criminal justice grants								
-	-	394	394	-	394	-	-	
AL Other grants								
-	-	132	132	-	132	-	-	
<b>Total for Estimate:</b>								
924,532	4,894,160	8,549,902	14,368,594	908,455	13,460,139	594,918	40,408	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>13,387,658</b>	<b>72,481</b>	<b>13,460,139</b>
<b>Voted capital items</b>			
Capital expenditure	598,725	-3,807	594,918
<i>Less: non-operating A in A</i>	<u>36,899</u>	<u>3,509</u>	<u>40,408</u>
<b>Total net voted capital</b>	<b>561,826</b>	<b>-7,316</b>	<b>554,510</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-176,604	-	-176,604
Depreciation	-258,457	300	-258,157
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-300	-300
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	<u>17,809</u>	<u>-</u>	<u>17,809</u>
<b>Total accruals to cash adjustments</b>	<b>-403,074</b>	<b>-</b>	<b>-403,074</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>13,546,410</b>	<b>65,165</b>	<b>13,611,575</b>

## 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>	
	<b>Income</b>	<b><i>Receipts</i></b>	<b>Income</b>	<b><i>Receipts</i></b>
Operating income not classified as A in A	114,510	<i>114,510</i>	74,510	<i>74,510</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	-	-	-	-
<b>Total</b>	<b>177,218</b>	<b><i>177,218</i></b>	<b>137,218</b>	<b><i>137,218</i></b>

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	705,359
<b>Total Net Administration costs</b>	<b>705,359</b>
<b>Net Programme Costs</b>	
RfR 1	12,680,270
<b>Total Net Programme costs</b>	<b>12,680,270</b>
<b>Total Net Operating Cost</b>	<b>13,385,629</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>13,460,139</b>
CFERs	-74,510
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>12,785,782</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>13,460,139</b>
<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	-74,510
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>13,385,629</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-356,194
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	13,507
voted expenditure outside the budget	-782,664
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	9,510
resource consumption of non departmental public bodies	-275,210
unallocated resource provision	-
Other adjustments	791,204
<b>Resource Budget Outturn (Budget)</b>	<b>12,785,782</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	12,780,769
Annually Managed Expenditure (AME)	5,013

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>554,510</b>
<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	224,883
capital grants to local authorities	356,194
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	73,320
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>1,208,907</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,208,907
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.

<b>Request for Resources 1</b>	Sir David Normington, Principle Accounting Officer and Permanent Head of Department
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Sir David Normington as the Principal Accounting Officer (PAO) of the Home Office has personal responsibility for the proper presentation of the Home Office'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 any responsibilities for the assigned RfR, 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 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 Home Office'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Building a safe, just and tolerant society</b>		
Income from fees and charges	448,957	-
Income from licences	-	-
Contributions from Scotland & Northern Ireland Office	20,575	-
EC receipts	-	-
Superannuation transfer values	1,019	-
Income from sale of land and buildings and other assets	-	4,449
Income from other sales	-	50
Receipts from other government departments	41,825	35,909
Public Dividend Capital	-	-
Rent receipts	-	-
Recovery of cost and other income	396,079	-
Receipts from Youth Justice Board	-	-
<b>Total RfR 1</b>	<b>908,455 *</b>	<b>40,408 **</b>
<i>of which: Administration budgets</i>	<i>219,173</i>	<i>-</i>

\*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 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 Dependents' 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 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, payments from the Youth Justice Board.

\*\*Amount 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.

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	Income
Passport fee receipts	62,708	62,708
Carriers liability receipts	8,256	8,256
Licence fee receipts	-	-
Interest on loan	1,254	1,254
Income from recovered assets	65,000	65,000
<b>Total</b>	<b>137,218</b>	<b>137,218</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Home Office Departmental Expenditure Limit will change as follows:

	New DEL			£'000
	Change	Voted	Non-voted	Total
Resource	19,172	10,849,560	1,931,209	12,780,769
<i>of which : Administration Budget</i>	833	705,359	-	705,359
Capital	10,876	910,704	298,203	1,208,907
Depreciation*	300	-258,157	-55,385	-313,542
<b>Total</b>	<b>30,348</b>	<b>11,502,107</b>	<b>2,174,027</b>	<b>13,676,134</b>

\*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	948,863

## 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	Subhead	Service	£'000
RfR1	A3	Grant to the Independent Custody Visiting Association	250
RfR1	A3	Grant to the Council for the Registration of Forensic Practitioners	300
RfR1	A3	Police Superintendants Association	380
RfR1	A3	Police Federation	135
RfR1	A3	Grant to the association for Bereavement Counselling of Road Accident Victims	28
RfR1	A3	National Black Police Association (NBPA)	80
RfR1	A3	Association of Chief Police Officers (ACPO)	470
RfR1	A3	British Association of Women Police (BAWP)	35
RfR1	A3	Police Negotiating Board (PNB) – Independent Secretariat	52
RfR1	A3	Police Negotiating Board – Official Side Secretariat	242
RfR1	A3	Police Negotiating Board – Staff side	126
RfR1	F3	Grants to the National Office of Victim Support	30,000
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	H3	Futurebuilders	58,200
RfR1	G3	Community Development Foundation	1,458
RfR1	G3	Grants to certain organisations working in the voluntary sector to promote voluntary activity or community development and to support innovatory projects etc	91,244
RfR1	G3	National Council for Voluntary Organisations	929
RfR1	G3	Grants to Women's Royal Voluntary Service	2,943
RfR1	G3	Grants to voluntary organisations and other bodies for the reception and settlement of refugees, and to assist organisations or projects working to reduce racial disadvantage, racism etc.	9,994
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
<b>Total</b>			<b>199,608</b>

## Notes to the Estimate (*continued*)

### Grants in aid above £1 million

RfR1	£ '000
Criminal Injuries Compensation	243,995
Criminal Cases Review Commission	7,447
Commission for Racial Equality	34,450
Community Development Foundation	1,458
Youth Justice Board	420,925
Independent Police Complaints Commission	27,467
Police Information Technology Organisation	339,146
National Crime Squad	211,686
National Criminal Intelligence Service	82,511
Probation Service grant to local area boards	782,664
Central police training and development agency (CENTREX)	94,261
Grant to Women's Royal Voluntary Services	2,943
Victim support	30,000
National Association for Care and Resettlement of Offenders (NACRO)	1,331
The Langley House Trust	1,260
Office of The Immigration Services Commissioner	3,822
Immigration Advisory Service and Refugee Legal Council	18,475
Parole Board	5,413
<b>Total</b>	<b>2,309,254</b>

# Charity Commission

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## Introduction

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

**Changes in resources**

Amount £

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

**Increases:**

Take up of Efficiency Challenge Fund monies

- |  |         |
|--|---------|
| 1. Resources - administration costs                | 250,000 |
| Take up of ECF monies allocated in SR04 settlement |         |
| (i) £250,000 (subhead A1)                          |         |
| To assist with delivery of efficiency target       |         |

**Total change in resources for RfR1                    250,000**

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £250,000
3. Symbols are explained in the Introduction to this booklet.

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**Part I**

£

<b>RfR 1: Giving the public confidence in the integrity of charity</b>	<b>250,000</b>
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Total additional net resource requirement	250,000
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<b>Additional net cash requirement</b>	<b>250,000</b>
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SUPPLEMENTARY amounts required in the year ending 31 March 2006 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	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
<b>RfR 1: Giving the public confidence in the integrity of charity</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration	32,153	250	-	250	32,403
<b>Total RfR 1</b>		<b>250</b>	<b>-</b>	<b>250</b>	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	1,604	-	1,604
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>32,332</b>	<b>250</b>	<b>32,582</b>

**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	
<b>RfR 1: Giving the public confidence in the integrity of charity</b>								
32,959	-	-	32,959	556	32,403	1,604	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
32,959	-	-	32,959	556	32,403	1,604	-	
<b>Total for Estimate:</b>								
32,959	-	-	32,959	556	32,403	1,604	-	



## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>32,153</b>	<b>250</b>	<b>32,403</b>
<b>Voted capital items</b>			
Capital expenditure	1,604	-	1,604
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>1,604</b>	<b>-</b>	<b>1,604</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-	-88
Depreciation	-1,150	-	-1,150
New provisions and adjustments to previous provisions	-93	-	-93
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-40	-	-40
Increase(-)/decrease (+) in creditors	36	-	36
Use of provisions	<u>90</u>	<u>-</u>	<u>90</u>
<b>Total accruals to cash adjustments</b>	<b>-1,425</b>	<b>-</b>	<b>-1,425</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>32,332</b>	<b>250</b>	<b>32,582</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	32,403
<b>Total Net Administration Costs</b>	<b>32,403</b>
<b>Net Programme Costs</b>	
RfR 1	-
<b>Total Net Programme costs</b>	-
<b>Total Net Operating Cost</b>	<b>32,403</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>32,403</b>
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>32,403</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>32,403</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>32,403</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>32,403</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	32,403
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>1,604</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>1,604</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,604
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 Principal Accounting Officer (PAO) of the Charity Commission has personal responsibility for the proper presentation of the Charity Commission'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 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 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 Charity Commission'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Giving the public confidence in the integrity of charity</b>		
Sales of copies of documents, etc.	20	-
Funds remitted by the Foreign and Commonwealth Office in respect of the Departments' joint International Outreach project	536	-
<b>Total RfR 1</b>	<b>556 *</b>	<b>-</b>
<i>of which: Administration budgets</i>	<i>556</i>	<i>-</i>

\*Amount that may be applied as 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.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Charity Commission's Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	250	32,403	-	32,403
<i>of which :Administration Budget</i>	<i>250</i>	<i>32,403</i>	<i>-</i>	<i>32,403</i>
Capital	-	1,604	-	1,604
Depreciation*	-	-1,150	-	-1,150
Total	250	32,857	-	32,857

*\*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	556

# Department for Constitutional Affairs

## Introduction

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

	Amount £
<b><u>Changes in resources</u></b>	
<b>RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all</b>	
<b>Increases:</b>	
<u>Take up of End-Year Flexibility (EYF)</u>	
Resources (of which £41,040,000 is near cash)	
1. Additional spending on Single Asylum Fund (£1,350,000 subhead A1 and £39,690,000 subhead A2).	41,040,000
<u>Machinery of Government transfer</u>	
1. A transfer from the Home Office in relation to Coroner's Reform (£1,035,000 subhead A1 and £650,000 subhead A2).	1,685,000
2. A transfer from the Office of the Deputy Prime Minister in relation to the Boundary Commission (£1,251,000 subhead A1 and £59,000 subhead A2).	1,310,000
3. A transfer from the Office of the Deputy Prime Minister in relation to Policy on the Conduct of Local Government Elections (of which £18,000 is for Government Offices) (subhead A1).	280,000
<u>Other increases</u>	
1. Additional funding for the Parliamentary Counsel Office (subhead A1). This reflects a transfer of resource DEL budgetary cover from the Cabinet Office.	320,000
2. Additional funding for the implementation of the Adoption & Children Act 2002. £400,000 on subhead A1, £475,000 on subhead C1 and £1,868,000 on subhead F3. This reflects a transfer of resource DEL budgetary cover from the Department for Education and Skills.	2,743,000
3. Additional funding in relation to the 21st Century CJ System (subhead A1). This reflects a transfer of resource DEL budgetary cover from the Home Office (OJCR).	150,000
4. Additional funding for the Enforcement programme (subhead C2). This reflects a transfer of resource DEL budgetary cover from the Home Office (OJCR).	150,000
5. Additional funding for EXISSR1 (subhead A2). This reflects a transfer of resource DEL budgetary cover from the Home Office Criminal Justice Information Technology (CJIT) ring-fenced funding.	110,000
6. Additional funding for XHIBIT (subhead A1). This reflects a transfer of resource DEL budgetary cover from the Home Office Criminal Justice Information Technology (CJIT) ring-fenced funding.	1,230,000
7. Additional funding for LIBRA (subhead A1). This reflects a transfer of resource DEL budgetary cover from the Home Office Criminal Justice Information Technology (CJIT) ring-fenced funding.	1,690,000
8. An increase from CLS non-cash to subhead A2 in relation to the de-registration of judicial pensions.	100,000,000
<b>Decreases:</b>	
<u>Other decreases</u>	
1. Clarification on VAT treatment for Asylum legal aid bills (£6,000,000 reduction on subhead H3 and £3,200,000 increase on subhead A1).	-2,800,000
2. Increase in Appropriation in Aid for Magistrates Courts fee income (subhead C5).	-5,900,000
3. Reduction on subhead A2. This reflects a transfer of budgetary cover to the Crown Prosecution Service for the Charging Initiative.	-2,500,000
4. Reduction on subhead A1. This reflects a transfer of budgetary cover to the Crown Prosecution Service for the Case Progression Tool.	-1,240,000

**Introduction (continued)**

5. Reductions of £126,000 on subhead A1 and £38,000 on subhead A2. This reflects a transfer of budgetary cover to the Department for Trade and Industry for CEHR Funding SR04 and Equalities Review.	-164,000
6. Reduction on subhead A1. This reflects a transfer of budgetary cover to the Home Office from the Criminal Justice Information Technology (CJIT) ring fenced funding for the Case Progression Tool for the Effective Trial Management Programme (ETMP).	-1,310,000
7. Reduction on subhead A2. This reflects a transfer of budgetary cover to the Scottish Executive for increased Judicial salary liability.	-8,000,000
8. Reduction on subhead A2. This reflects a transfer of budgetary cover to the Northern Ireland Court Service for increased Judicial salary liability.	-2,600,000
9. A reduction on subhead A2. This reflects a transfer of budgetary cover to the Northern Ireland Court Service in relation to increased NI Legal Services Commission costs.	-4,000,000

**Neutral Changes:**Increased Expenditure offset by income

1. £1,289,000 resources to subhead A1 and A5 in relation to receipts from the Adjudicator to the Land Registry .	-
2. £1,328,000 resources to subhead A2 and A5 in relation to receipts from the Adjudicator to the Land Registry.	-
3. £5,384,000 resources to subhead C2 and C5 in relation to receipts HM Courts Service fee recovery.	-
4. £128,000 resources to subhead D1 and D5 in relation to PGO receipts.	-
5. £1,289,000 resources from admin income to programme income in relation to receipts from the PGO.	-
6. £1,300,000 resources to subhead A1 and A5 in relation to secondees recoveries.	-
7. £10,900,000 resources to C2 and C5 in relation to 2005-2006 Bailiff Fees Income.	-
8. £500,000 resources to subhead C2 and C5 in relation to MCC Subletting Income.	-
9. £14,500,000 resources to subhead C2 and C5 in relation to Safety Camera, Wider Markets Initiatives and Ancillary Income.	-
10. £9,460,000 resources to subhead C2 and C5 in relation to Extra fines incentive scheme.	-
11. £3,700,000 resources to subhead C2 and C5 in relations to Magistrates' Courts fee income.	-
12. £200,000 resources to subhead A1 and A5 in relation to electoral enquiry fees.	-
13. £128,000 reduction in resources to subhead A1 and A5 as a result of a change in Data Protection Fees.	-

Movements of provision between sections within RFR1

1. £380,000 from subhead A1 to D1 in relation to internal re-allocations.	-
2. £380,000 from subhead D2 to A2 in relation to internal re-allocations.	-
3. £177,000 from subhead A1 to C1 in relation to the Reprovision & Refurbishment Project.	-
4. £55,000 from subhead A1 to D1 in relation to payroll.	-
5. £475,000 from subhead A2 to C2 in relation to SAF funding.	-
6. £320,000 from subhead A2 to C2 in relation to HMCS Signage.	-
7. £88,000 from subhead A2 to C2 in relation to ERM and MIS Funding.	-
8. £30,000 from subhead A2 to C2 in relation to the RCJ Personal Support Unit.	-
9. £194,000 from subhead A2 to C2 in relation to Tribunals staffing.	-
10. £60,000 from subhead A2 to C2 in relation to staff transfers.	-
11. £16,000 from subhead A2 to C2 in relation to DCA funding to NE Advisory.	-
12. £2,000,000 from subhead A2 to H3 in relation to the Financial Inclusion Fund.	-
13. £432,000 from subhead C1 to A1 in relation to internal reorganisation of the Personal Injury Branch and HMCS Image.	-
14. £200,000 from subhead C2 to A2 in relation to Fleet Cars.	-
15. £270,000 from subhead C2 to A2 in relation to Remo Family Policy.	-
16. £623,000 from subhead C2 to A2 in relation to staff transfers.	-
17. £829,000 from subhead C2 to A2 in relation to estate monies.	-
18. £1,500,000 from subhead C2 to A2 in relation to DAR funding.	-



## Introduction (*continued*)

19. £279,000 from subhead C2 to A2 in relation to Law Commission funding.	-
20. £2,200,000 from subhead D1 to A1 in relation to shared service charges.	-
21. £200,000 from subhead D2 to A2 in relation to internal re-allocations.	-
22. £4,740,000 from subhead A1 to C1 in relation to internal re-allocations.	-
23. £4,740,000 from subhead C2 to A2 in relation to internal re-allocations.	-
24. £248,000 from subhead C2 to C1 to correct previous transfer to Crown Prosecution Service for Liverpool Community Justice Centre.	-

**Total change in resources for RfR1**      **122,194,000**

### **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**

#### **Increases:**

##### Take up of End-Year Flexibility (EYF)

Resource EYF (all near cash)

1. Additional costs for increased work due to the Government of Wales Bill (subhead A1).	329,000
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##### National Assembly for Wales

1. Increase in grant payable to the National Assembly for Wales (subhead B3).	227,572,000
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##### Other increases

1. Funding for the Parliamentary Counsel Office (subhead A1). This reflects a transfer of budgetary cover from the Cabinet Office.	57,000
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#### **Neutral Changes:**

##### Movements of provision between sections within RfR3

1. £220,000 from subhead B3 to subhead A1 in relation to non-cash transfer from Assembly to Wales Office to cover increased impairment charges.	-
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**Total change in resources for RfR3**      **227,958,000**

**Total change in resources for Estimate**      **350,152,000**

### **Changes in capital**

#### **Increases:**

##### Take up of End-Year Flexibility (EYF)

1. GLMCA capital receipts (subhead C7)	3,000,000
--	-----------

##### Other increases

1. Additional provision for Effective Trial Management Programme (ETMP) for the Case Provision Tool (subhead A7). This reflects a transfer of budgetary cover from the Home Office (OCJR).	500,000
2. Additional provision for the Mental Health Review Tribunal (subhead A7). This reflects a transfer of budgetary cover from the Department of Health.	1,500,000
3. Additional funding for the Case Progression Tool for the Effective Trial Management Programme (ETMP) (subhead A7). This reflects a transfer of budgetary cover from the Home Office Criminal Justice Information Technology (CJIT) Criminal Justice Service (CJS) ring-fenced funding.	1,120,000
4. To provide additional funding for the North Merseyside Local Criminal Justice Board (LCJB) (subhead C7). This reflects a transfer of budgetary cover from the Home Office Criminal Justice Information Technology (CJIT) Criminal Justice Service (CJS) ring-fenced funding.	500,000

## Introduction (*continued*)

### Decreases:

#### Asset sale

- |  |            |
|--|------------|
| 1. £2,085,000 to subhead C7 and £7,263,000 to subhead C8 (reflecting a £5,178,000 profit on disposal). | -5,178,000 |
|--|------------|

### Neutral Changes:

#### Transfers between sections within RfR1

- |   |   |
|---|---|
| 1. £1,000,000 from subhead A7 to C7 in relation to the Judicial Admin Office in the RCJ | - |
| 2. £1,000,000 from subhead D7 to A7 in relation to internal re-allocations              | - |

<b>Total change in capital for Estimate</b>	<b>1,442,000</b>
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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 £267,372,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all</b>	†	122,194,000
<b>RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government</b>		-
<b>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</b>		227,958,000
Total additional net resource requirement		350,152,000
<b>Additional net cash requirement</b>	†	<b>267,372,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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; 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; administration of the Office of the Information Commissioner; administration of Tribunals (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; 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 and administrative pilots; policy on coroner and cremation services; applications for exhumation burial grounds as provided under Coroners Act 1988, the Coroners Rules 1984 and Local Government Act 1972 applications for exhumations; other legal services; joint initiatives in the Criminal Justice System; associated non-cash items.

**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; the Commission on Boundary Differences and Voting Systems in Scotland; 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**  
 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.

## **Part I** (*continued*)

The **Department for Constitutional Affairs** will account for this Estimate.

† The function of the Coroners Unit was transferred from the Home Office on 1 June 2005. The changes relating to this machinery of government transfer are (i) the net resource requirement (RfR1) is increased by £1,685,000; and (ii) the net cash requirement is increased by £1,685,000.

† The function of the Boundary Commission was transferred from the Office of the Deputy Prime Minister on 1 April 2005. The changes relating to this machinery of government transfer are (i) the net resource requirement (RfR1) is increased by £1,310,000; and (ii) the net cash requirement is increased by £1,310,000.

† The function of the Policy on the Conduct of Local Government Elections was transferred from the Office of the Deputy Prime Minister on 1 April 2005. The changes relating to this machinery of government transfer are (i) the net resource requirement (RfR1) is increased by £280,000; and (ii) the net cash requirement is increased by £280,000.

## 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
<b>RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Headquarters and Associated Offices	549,380	138,708	3,989	134,719	684,099
RfR 1 - C HM Courts Service	875,152	42,296	50,344	-8,048	867,104
RfR 1 - D Public Guardianship Office	2,825	-2,217	128	-2,345	480
RfR 1 - H Community Legal Service	870,013	-2,132	-	-2,132	867,881
<b>Total RfR 1</b>		<b>176,655</b>	<b>54,461</b>	<b>122,194</b>	
<b>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</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 3 - A Wales Office	3,913	606	-	606	4,519
<b>Non-budget</b>					
RfR 3 - B Grant payable to the National Assembly for Wales	10,618,054	227,352	-	227,352	10,845,406
<b>Total RfR 3</b>		<b>227,958</b>	<b>-</b>	<b>227,958</b>	
<b>Total Changes to RfRs</b>		<b>404,613</b>	<b>54,461</b>	<b>350,152</b>	

£000

	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	153,012	8,705	161,717
Non-Operating A in A	4,400	7,263	11,663
<b>Net cash requirement</b>	<b>34,959,035</b>	<b>267,372</b>	<b>35,226,407</b>

**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
<b>RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all</b>							
456,037	1,706,399	2,021,922	4,184,358	565,827	3,618,531	160,851	11,663
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A Headquarters and Associated Offices							
409,986	285,161	75	695,222	11,123	684,099	46,180	-
B Judicial Pensions Administration							
401	-	-	401	400	1	-	-
C HM Courts Service							
30,530	1,374,718	-	1,405,248	538,144	867,104	113,671	11,663
D Public Guardianship Office							
15,120	1,520	-	16,640	16,160	480	1,000	-
E Costs from Central Funds							
-	45,000	-	45,000	-	45,000	-	-
<i>Court Service</i>							
-	-	-	-	-	-	-	-
<i>HM Land Registry Invest to Save Budget</i>							
-	-	-	-	-	-	-	-
<b>Support for Local Authorities</b>							
<i>Magistrates Courts Grants</i>							
-	-	-	-	-	-	-	-
<i>Magistrates Courts Capital Grant</i>							
-	-	-	-	-	-	-	-
<i>Magistrates Courts Grant on Loan Charges</i>							
-	-	-	-	-	-	-	-
<b>Non-budget</b>							
F Legal Services Commission: Administration							
-	-	86,732	86,732	-	86,732	-	-
G Criminal Defence Service							
-	-	1,050,935	1,050,935	-	1,050,935	-	-
H Community Legal Service							
-	-	867,881	867,881	-	867,881	-	-
I Information Commissioner's Office							
-	-	4,999	4,999	-	4,999	-	-
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<b>Support for Local Authorities</b>							
J Core Capital Grants to Local Authorities							
-	-	11,300	11,300	-	11,300	-	-

**Part II: Revised subhead detail including additional provision (cont.)**

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	
<b>RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government</b>								
7,333	400	20,935,903	20,943,636	965	20,942,671	100	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Scotland Office								
4,959	-	-	4,959	170	4,789	100	-	
B Office of the Advocate General								
2,374	-	-	2,374	795	1,579	-	-	
C Boundary Commission for Scotland								
-	300	-	300	-	300	-	-	
D Commission on Boundary Differences and Voting Systems in Scotland								
-	100	-	100	-	100	-	-	
<b>Non-budget</b>								
E Grant payable to the Scottish Consolidated Fund								
-	-	20,935,903	20,935,903	-	20,935,903	-	-	
<b>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</b>								
4,528	-	10,845,406	10,849,934	9	10,849,925	766	-	
<b>Spending in Annually Managed Expenditure (DEL)</b>								
<i>Central Government spending</i>								
A Wales Office								
4,528	-	-	4,528	9	4,519	766	-	
<b>Non-budget</b>								
B Grant payable to the National Assembly for Wales								
-	-	10,845,406	10,845,406	-	10,845,406	-	-	
<b>Total for Estimate:</b>								
467,898	1,706,799	33,803,231	35,977,928	566,801	35,411,127	161,717	11,663	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>35,060,975</b>	<b>350,152</b>	<b>35,411,127</b>
<b>Voted capital items</b>			
Capital expenditure	153,012	8,705	161,717
<i>Less: non-operating A in A</i>	<u>4,400</u>	<u>7,263</u>	<u>11,663</u>
<b>Total net voted capital</b>	<b>148,612</b>	<b>1,442</b>	<b>150,054</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-153,829	-	-153,829
Depreciation	-117,072	-	-117,072
New provisions and adjustments to previous provisions	-	-89,400	-89,400
Profit/loss on sale of assets	-	5,178	5,178
Prior period adjustments	-	-	-
Other non-cash items	-9	-	-9
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-1,642	-	-1,642
Use of provisions	<u>22,000</u>	<u>-</u>	<u>22,000</u>
<b>Total accruals to cash adjustments</b>	<b>-250,552</b>	<b>-84,222</b>	<b>-334,774</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>34,959,035</b>	<b>267,372</b>	<b>35,226,407</b>

## 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>	
	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<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	244,478	<i>244,353</i>	244,478	<i>244,353</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b>244,478</b>	<b><i>244,353</i></b>	<b>244,478</b>	<b><i>244,353</i></b>



## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	445,642
RfR 2	6,368
RfR 3	4,519
<b>Total Net Administration Costs</b>	<b>456,529</b>
<b>Net Programme Costs</b>	
RfR 1	3,172,889
RfR 2	20,936,303
RfR 3	10,845,406
Non voted expenditure	159,000
<b>Total Net Programme costs</b>	<b>35,113,598</b>
<b>Total Net Operating Cost</b>	<b>35,570,127</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>35,411,127</b>
CFERs	-
Non-voted expenditure	159,000
<b>Resource Budget Outturn</b>	<b>3,602,929</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>35,411,127</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	159,000
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>35,570,127</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-11,300
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-31,781,309
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-174,589
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>3,602,929</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	3,602,929
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>150,054</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	5,178
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	2,029
capital grants to local authorities	11,300
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>168,561</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	168,561
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.

<b>Request for Resources 1</b>	Alex Allan, Permanent Head of Department
<b>Request for Resources 2</b>	Jim Wildgoose, Additional Accounting Officer and Head of Scotland Office
<b>Request for Resources 3</b>	Alan Cogbill, Additional Accounting Officer and Head of Wales Office

Alex Allen as the Principal Accounting Officer (PAO) 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 Department for Constitutional Affairs' policies, aims, and objectives; and should regularly review the effectiveness of that system.

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

## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all</b>		
Administration income	10,395	-
Other current income	555,432	-
Sale of fixed assets	-	11,663
<b>Total RfR 1</b>	<b>565,827 *</b>	<b>11,663 **</b>

\*Amount that may be applied as 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; 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 and income arising from Machinery of Government changes.

\*\* Amount that may be applied as non operating appropriations in aid arising from the disposal of land, buildings and surplus equipment.

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

Rent receipts; payments for legal services	965	-
<b>Total RfR 2</b>	<b>965 *</b>	<b>-</b>

\*Amount that may be applied as 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.

### **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**

Rent receipts; payments for legal services	9	-
<b>Total RfR 3</b>	<b>9 *</b>	<b>-</b>

\*Amount that may be applied as 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.

<b>Total A in A</b>	<b>566,801</b>	<b>11,663</b>
<i>of which: Administration budgets</i>	<i>11,369</i>	<i>-</i>

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Magistrates Courts●	244,378	244,353
Other income not classified as A in A* ●	-	-
Loan charges received from Dyfed Powys in respect of Cleddau Bridge ●	100	-
EU funding for Tir Gofal ●	-	-
ESF receipts relating to pre 2001 training programmes formerly administered by the Department for Education and Skills ●	-	-
<b>Total</b>	<b>244,478</b>	<b>244,353</b>

\*Sums received by the Scottish Executive which are to be paid to the Consolidated Fund and remitted by the Secretary of State

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Constitutional Affairs Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	22,800	1,607,971	1,994,958	3,602,929
<i>of which : Administration Budget</i>	<i>10,848</i>	<i>456,529</i>	<i>-</i>	<i>456,529</i>
Capital	6,620	166,532	2,029	168,561
Depreciation*	-	-117,072	-832	-117,904
<b>Total</b>	<b>29,420</b>	<b>1,657,431</b>	<b>1,996,155</b>	<b>3,653,586</b>

\*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	578,464



# Department for Constitutional Affairs: Judicial Pensions Scheme

## Introduction

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

### Changes in resources

Amount  
£

#### **RfR 1: Judicial Pensions Scheme**

#### **Increases:**

##### AME forecast

- |   |   |           |
|---|---|-----------|
| 1 | To provide for expected increases in scheme liabilities of £2,595,000 following the full actuarial valuation of the scheme. | 2,595,000 |
|---|---|-----------|

#### **Decreases:**

##### AME forecast

- |   |  |            |
|---|--|------------|
| 2 | To increase the employer contributions by £1,000,000 | -1,000,000 |
|---|--|------------|

#### **Neutral changes:**

##### AME forecast

- |   |  |  |
|---|--|--|
| 3 | An increase of £500,000 in extra receipts payable to the Consolidated Fund |  |
|---|--|--|

<b>Total changes in resources for this Estimate</b>	<b>1,595,000</b>
---	------------------

2. As a result of the above and associated non-cash change, there no change in the net cash requirement of £1,000.
3. Symbols are explained in the Introduction to this booklet.

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**Part I**

£

<b>RfR 1: Judicial Pensions Scheme</b>	<b>1,595,000</b>
Total additional net resource requirement	1,595,000
<b>Additional net cash requirement</b>	<b>-</b>

---

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for Constitutional Affairs on:

**RfR 1: Judicial Pensions Scheme**

Pensions etc., in respect of members of the judicial pensions scheme, and for other related services.

The Department for Constitutional Affairs 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
<b>RfR 1: Judicial Pensions Scheme</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - A Judicial Pensions Scheme	34,076	2,595	1,000	1,595	35,671
<b>Total RfR 1</b>		<b>2,595</b>	<b>1,000</b>	<b>1,595</b>	

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

**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	
<b>RfR 1: Judicial Pensions Scheme</b>								
-	238,636	-	238,636	72,965	165,671	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
A Judicial Pensions Scheme								
-	108,636	-	108,636	72,965	35,671	-	-	
<b>Non-budget</b>								
B Judicial Pensions Scheme								
-	130,000	-	130,000	-	130,000	-	-	
<b>Total for Estimate:</b>								
-	238,636	-	238,636	72,965	165,671	-	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>Revised</u>
			£'000
<b>Net total Resources</b>	<b>164,076</b>	<b>1,595</b>	<b>165,671</b>
<b>Voted capital items</b>			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
<b>Total net voted capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-236,041	-2,595	-238,636
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	19,320	500	19,820
<b>Total accruals to cash adjustments</b>	<b>-216,721</b>	<b>-2,095</b>	<b>-218,816</b>
<b>Excess cash to be CFERd</b>	<b>52,646</b>	<b>500</b>	<b>53,146</b>
<b>Net cash requirement</b>	<b>1</b>	<b>-</b>	<b>1</b>

## 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>	
	<b>Income</b>	<b><i>Receipts</i></b>	<b>Income</b>	<b><i>Receipts</i></b>
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>52,646</i>	-	<i>53,146</i>
<b>Total</b>	<b>-</b>	<b><i>52,646</i></b>	<b>-</b>	<b><i>53,146</i></b>

## Forecast Combined Revenue Account

		£'000
		2005-06 provision
<b>Income</b>		
Contributions received	72,965	
Transfers in	-	
Other income receivable	-	
<b>Total Net Administration Costs</b>		<b>72,965</b>
<b>Expenditure</b>		
Increase in liability	87,000	
Interest on scheme liability	71,000	
Other expenditure	-	
<b>Total Net Programme costs</b>		<b>158,000</b>
<b>Total Net Operating Cost</b>		<b>85,035</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>165,671</b>
CFERs		-
Non-voted expenditure		49,364
<b>Resource Budget Outturn</b>		<b>85,035</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>165,671</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	49,364
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-130,000
<b>Net Operating Costs (Accounts)</b>	<b>85,035</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>85,035</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	85,035

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>-</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>-</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

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## 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 Allen, the permanent head of department

Alex Allen as the Principal Accounting Officer (PAO) of the Department for Constitutional Affairs has personal responsibility for the proper presentation of the Department of Constitutional Affairs: Judicial Pensions Scheme's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO, as permanent head, in addition to the responsibilities for the assigned RfR remains in general overall charge of the Department for Constitutional Affairs: Judicial 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 Department for Constitutional Affairs: Judicial Pensions Scheme'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Judicial Pensions Scheme</b>		
Accruing superannuation liability charges (ASLCs)	66,365	-
Office Holders' pension contributions	6,600	
<b>Total RfR 1</b>	<b>72,965 *</b>	<b>-</b>
<i>of which: Administration budgets</i>	-	

\* Amount that may be applied as appropriations in aid in addition to the net total, arising from accruing superannuation liability charges (ASLCs); and Office Holders' pension contributions.

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund Extra Receipts (CFERs)

		<b>£'000</b>	
		<b>2005-06 provision</b>	
		<b>Income</b>	<b>Receipts</b>
Excess cash receipts	Δ	-	53,146
<b>Total</b>		<b>-</b>	<b>53,146</b>

### Cash which may be retained to offset expenditure

		<b>£'000</b>
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		72,965



# Northern Ireland Court Service

## Introduction

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

Amount £

### Changes in resources

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

##### **Increases:**

- |    |   |           |
|----|---|-----------|
| 1. | <u>Transfer between non-cash and near cash</u><br>Subhead B3<br>Increase in non-cash costs for cost of capital charge and depreciation to release additional grant payable to the Northern Ireland Legal Services Commission for expenditure on publicly funded legal services. | 3,764,000 |
| 2. | <u>Take up of resource end year flexibility (near cash)</u><br>Subhead B3<br>Take up of resource end year flexibility (near cash) for additional expenditure on publicly funded legal services by the Northern Ireland Legal Services Commission.                               | 159,000   |
| 3. | <u>Other increases</u><br>Subhead A2<br>Additional non-cash funding for an increased judicial salary liability. This reflects a reallocation of budgetary cover from the Department of Constitutional Affairs.  | 2,600,000 |
|    | Subhead B3<br>Additional expenditure on publicly funded legal services by the Northern Ireland Legal Services Commission. This reflects a reallocation of budgetary cover from the Department of Constitutional Affairs.  | 4,000,000 |

##### **Neutral Changes:**

- |    |  |   |
|----|--|---|
| 1. | <u>Take up of additional appropriations in aid</u><br>Subheads A2 and A5<br>To utilise additional appropriations in aid of £750,000 to offset project costs incurred by the Northern Ireland Court Service and Northern Ireland Office in respect of the safety camera netting off scheme. | - |
|    | Subheads A2 and A5<br>Increased income of £1,000,000 to offset a corresponding amount of "other current" expenditure on judicial salaries, non cash costs and lay magistrates fees.  | - |

**Total change in resources for RfR1**      **10,523,000**

### Changes in capital

- |    |   |           |
|----|---|-----------|
| 1. | <u>Take up of capital end year flexibility</u><br>Subhead A7<br>Take up of capital end year flexibility to fund refurbishment of accommodation for the Coroners Service | 1,000,000 |
|----|---|-----------|

**Total change in capital for Estimate**      **1,000,000**

## **Introduction (*continued*)**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £5,159,000.
3. Symbols are explained in the Introduction to this booklet.

---

**Part I**

£

<b>RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland</b>	<b>10,523,000</b>
Total additional net resource requirement	10,523,000
<b>Additional net cash requirement</b>	<b>5,159,000</b>

---

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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; policy and legislation; accommodation services; grants to sundry bodies and associated noncash 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	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Court and other legal services	54,456	4,350	1,750	2,600	57,056
<b>Non-budget</b>					
RfR 1 - B Legal Services Commission	53,868	7,923	-	7,923	61,791
<b>Total RfR 1</b>		<b>12,273</b>	<b>1,750</b>	<b>10,523</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	6,000	1,000	7,000
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>104,479</b>	<b>5,159</b>	<b>109,638</b>

**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	
<b>RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland</b>								
21,256	53,775	63,146	138,177	18,000	120,177	7,000	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Court and other legal services								
21,256	53,775	25	75,056	18,000	57,056	7,000	-	
<i>Publicly funded legal services</i>								
-	-	-	-	-	-	-	-	-
<b>Non-budget</b>								
B Legal Services Commission								
-	-	61,791	61,791	-	61,791	-	-	
C Judicial Appointments Commission								
-	-	1,330	1,330	-	1,330	-	-	
<b>Total for Estimate:</b>								
21,256	53,775	63,146	138,177	18,000	120,177	7,000	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>109,654</b>	<b>10,523</b>	<b>120,177</b>
<b>Voted capital items</b>			
Capital expenditure	6,000	1,000	7,000
<i>Less:</i> non-operating A in A	-	-	-
<b>Total net voted capital</b>	<b>6,000</b>	<b>1,000</b>	<b>7,000</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-5,075	-1,064	-6,139
Depreciation	-6,100	-2,700	-8,800
New provisions and adjustments to previous provisions	-	-2,600	-2,600
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	-	-	-
<b>Total accruals to cash adjustments</b>	<b>-11,175</b>	<b>-6,364</b>	<b>-17,539</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>104,479</b>	<b>5,159</b>	<b>109,638</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	3,256
<b>Total Net Administration Costs</b>	<b>3,256</b>
<b>Net Programme Costs</b>	
RfR 1	116,921
Net non-voted programme costs	5,166
<b>Total Net Programme costs</b>	<b>122,087</b>
<b>Total Net Operating Cost</b>	<b>125,343</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>120,177</b>
CFERs	-
Non-voted expenditure	5,166
<b>Resource Budget Outturn</b>	<b>130,003</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>120,177</b>
<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 (CFERS) in the OCS	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>125,343</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	4,660
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>130,003</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	130,003
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>7,000</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>7,000</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,000
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.

<b>Request for Resources 1</b>	David A Lavery, Principal Accounting Officer and Director of the Northern Ireland Court Service
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David A Lavery, as the Principal Accounting Officer (PAO) of the Northern Ireland Court Service has personal responsibility for the proper presentation of the Northern Ireland Court Service'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 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 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 Northern Ireland Court Service'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland</b>		
Income from fees	17,700	-
Miscellaneous income	300	-
Disposal of land	-	-
<b>Total RfR 1</b>	<b>18,000</b> *	-
<i>of which: Administration budgets</i>	<i>18,000</i>	-

\* 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.

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Fines ●	5,150	5,150
Interest payments ●	100	100
Civil Fee income ●	-	-
Miscellaneous ●	250	250
<b>Total</b>	<b>5,500</b>	<b>5,500</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Northern Ireland Court Service Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	6,759	57,056	72,947	130,003
<i>of which : Administration Budget</i>	<i>-1,750</i>	<i>3,256</i>	<i>-</i>	<i>3,256</i>
Capital	1,000	7,000	-	7,000
Depreciation*	-2,700	-8,800	-20	-8,820
Total	5,059	55,256	72,927	128,183

\*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	18,000



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# The National Archives: Public Records Office and Historical Manuscripts Commission

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## Introduction

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

Amount £

### Changes in resources

**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**

#### **Increases:**

1. Take up of End Year Flexibility

Take-up of administration budget EYF (all near cash) on subhead A1 in respect of electronic service delivery developments and operational costs 3,723,000

#### **Neutral Changes:**

1. An increase in Appropriations in Aid of £2,600,000 (subhead A5) generated by retail and online sales offset against an increase in running costs of £2,600,000 (subhead A1) -

**Total change in resources for RfR1 3,723,000**

### Changes in capital

1. Take up of End Year Flexibility

Take-up of capital EYF (subhead A7) to fund expenditure in respect of the development of electronic service delivery. 684,000

**Total change in capital for Estimate 684,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £4,407,000.
3. Symbols are explained in the Introduction to this booklet.

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## Part I

£

<b>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</b>	<b>3,723,000</b>
Total additional net resource requirement	3,723,000
<b>Additional net cash requirement</b>	<b>4,407,000</b>

---

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the National Archives: Public Record Office and Historical Manuscripts Commission 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**

Payments for expenditure by the Public Record Office and Historical Manuscripts Commission on administration and operational associated non-cash costs.

The National Archives: Public Record Office and Historical Manuscripts 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
<b>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</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Public Record Office	38,252	6,323	2,600	3,723	41,975
<b>Total RfR 1</b>		<b>6,323</b>	<b>2,600</b>	<b>3,723</b>	

	£000		
	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	3,315	684	3,999
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>35,044</b>	<b>4,407</b>	<b>39,451</b>

## 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	
<b>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</b>								
47,322	-	-	47,322	4,205	43,117	3,999	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Public Record Office								
46,175	-	-	46,175	4,200	41,975	3,984	-	
B Historical Manuscripts Commission								
1,147	-	-	1,147	5	1,142	15	-	
<b>Total for Estimate:</b>								
47,322	-	-	47,322	4,205	43,117	3,999	-	



## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>39,394</b>	<b>3,723</b>	<b>43,117</b>
<b>Voted capital items</b>			
Capital expenditure	3,315	684	3,999
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>3,315</b>	<b>684</b>	<b>3,999</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,402	-	-3,402
Depreciation	-4,093	-	-4,093
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	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total accruals to cash adjustments</b>	<b>-7,665</b>	<b>-</b>	<b>-7,665</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>35,044</b>	<b>4,407</b>	<b>39,451</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
RfR 1	<u>43,117</u>	
<b>Total Net Administration Costs</b>		<b>43,117</b>
<b>Net Programme Costs</b>		
RfR 1	<u>-</u>	
<b>Total Net Programme costs</b>		-
<b>Total Net Operating Cost</b>		<b>43,117</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>43,117</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>43,117</b>
<hr/>		

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>43,117</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>43,117</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>43,117</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	43,117
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>3,999</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>3,999</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,999
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.

<b>Request for Resources 1</b>	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 (AO) of the Public Record Office and sole Historical Manuscripts Commissioner has personal responsibility for the proper presentation of the National Archives:Public Record Office and Historical Manuscripts Commission'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 the assigned RfR, remains in general overall charge of the National Archives: Public Record Office and Historical Manuscripts 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 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 National Archives'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>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</b>		
Records, registration and surveys	4,205	-
<b>Total RfR 1</b>	<b>4,205 *</b>	<b>-</b>
<i>of which: Administration budgets</i>	<i>4,205</i>	<i>-</i>

\*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; sale of fixed assets and grants received to carry out specific projects.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the National Archives: Public Records Office and Historical Manuscripts Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	3,723	43,117	-	43,117
<i>of which :Administration Budget</i>	<i>3,723</i>	<i>43,117</i>	<i>-</i>	<i>43,117</i>
Capital	684	3,999	-	3,999
Depreciation*	-	-4,093	-	-4,093
Total	4,407	43,023	-	43,023

*\*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

4,005

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

# The Crown Prosecution Service

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions**

#### **Increases:**

##### Take up of End Year Flexibility

- |  |            |
|--|------------|
| 1. Programme expenditure (subhead B2)  | 10,400,000 |
| Take up of Resource EYF (all of which is near cash) to support increased expenditure on the prosecution of criminal cases. |            |

##### Increase in Resources

- |   |           |
|---|-----------|
| 1. Programme expenditure (subhead B2)   | 2,500,000 |
| An increase in resources due to the reallocation of resource DEL budgetary cover from the Department for Constitutional Affairs to the Crown Prosecution Service. This is required to provide additional resources to help fund the Statutory Charging programme. This is a joint scheme between the CPS and the Association of Chief Police Officer (ACPO) which has led to the CPS progressively taking over from the Police the responsibility to determine the charge in serious cases. |           |
| 2. Programme expenditure (subhead B2)   | 1,240,000 |
| An increase in resources due to the reallocation of resource DEL budgetary cover from the Department for Constitutional Affairs to the Crown Prosecution Service. This is required to provide additional resources from Criminal Justice Information Technology (CJIT) to aid the development of the IT tools necessary to support Case Progression Officers.   |           |
| 3. Programme expenditure (subhead B2)   | 550,000   |
| An increase in resources due to the reallocation of resource DEL budgetary cover from the Home Office to the Crown Prosecution Service. This is required to provide additional resources from Criminal Justice Information Technology (CJIT) to fund the recommissioning of a test environment for Exchange Integration Service Stream Release 1 (EXISS R1), and enhancements to the Witness Management System.   |           |

#### **Decreases:**

##### Decrease in Resources

- |  |          |
|--|----------|
| 1. Programme expenditure (subhead B2)  | -173,000 |
| A decrease in resources due to 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" partnership programme to improve services to prosecution witnesses in Court. |          |

## Introduction (*continued*)

- |   |          |
|---|----------|
| 2. Administration costs (subhead A1)  | -415,000 |
| A decrease in resources due to the reallocation of resource DEL budgetary cover, within the Attorney General's resource DEL, from the Crown Prosecution Service to HM Procurator General & Treasury Solicitors. This is required to provide additional resources to help fund the Legal Secretariat to the Law Officers'. |          |

### Neutral Changes:

#### Increased spending offset by income

- |  |   |
|--|---|
| 1. Subheads B2 and B5  | - |
| Increase in resources of £77,000, offset by a corresponding increase in appropriations in aid relating to income received from rent in jointly occupied buildings. |   |
| 2. Subheads B2 and B5  | - |
| Increase in resources of £4,000,000, offset by a corresponding increase in appropriations in aid relating to income received from costs awarded in Court.          |   |

#### Breakdown of Appropriations in Aid

- |   |   |
|---|---|
| 1. Subheads A1, A5, B2 and B5   | - |
| To provide a better breakdown of the Income we receive from 'Local Criminal Justice Boards (LCJBs) and other Secondments; and Access to Work'. This is currently classed as Administration Income but will now be split between Programme and Administration. This is because a proportion of the Income received relates to front line staff rather than back office staff. Of the £1,200,000 that we are able to appropriate in Aid, £300,000 will remain as Administration Income and £900,000 will become Programme Income. |   |

**Total change in resources for RfR1      14,102,000**

#### Changes in capital

- |  |          |
|--|----------|
| 1. A decrease in capital due to the reallocation of capital 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" partnership programme to improve services to prosecution witnesses in Court. | -394,000 |
|--|----------|

**Total change in capital for Estimate      -394,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £23,708,000.
3. Symbols are explained in the Introduction to this booklet.



**Part I**

£

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<b>RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</b>	<b>14,102,000</b>
Total additional net resource requirement	14,102,000
<b>Additional net cash requirement</b>	<b>23,708,000</b>

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 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 within 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	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration costs on HQ and Central Services	57,953	-1,315	-900	-415	57,538
RfR 1 - B Crown Prosecutions and Legal Services	541,516	19,494	4,977	14,517	556,033
<b>Total RfR 1</b>		<b>18,179</b>	<b>4,077</b>	<b>14,102</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	7,400	-394	7,006
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>599,512</b>	<b>23,708</b>	<b>623,220</b>

**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	
<b>RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</b>								
57,838	591,960	-	649,798	36,227	613,571	7,006	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration costs on HQ and Central Services								
57,838	-	-	57,838	300	57,538	7,006	-	
B Crown Prosecutions and Legal Services								
-	591,960	-	591,960	35,927	556,033	-	-	
<b>Total for Estimate:</b>								
57,838	591,960	-	649,798	36,227	613,571	7,006	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>599,469</b>	<b>14,102</b>	<b>613,571</b>
<b>Voted capital items</b>			
Capital expenditure	7,400	-394	7,006
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>7,400</b>	<b>-394</b>	<b>7,006</b>
<b>Accruals to cash adjustment</b>			
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	-82	-	-82
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-500	10,000	9,500
Use of provisions	<u>1,673</u>	<u>-</u>	<u>1,673</u>
<b>Total accruals to cash adjustments</b>	<b>-7,357</b>	<b>10,000</b>	<b>2,643</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>599,512</b>	<b>23,708</b>	<b>623,220</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	<u>57,538</u>	
<b>Total Net Administration Costs</b>		<b>57,538</b>
<b>Net Programme Costs</b>		
RfR 1	<u>556,033</u>	
<b>Total Net Programme costs</b>		<b>556,033</b>
<b>Total Net Operating Cost</b>		<b>613,571</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>613,571</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>613,571</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>613,571</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>613,571</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>613,571</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	613,571
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>7,006</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>7,006</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,006
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.

<b>Request for Resources 1</b>	Ken MacDonald QC, Permanent Head of Department
	Richard Foster, Additional Accounting Officer and Chief Executive of the Department

Ken MacDonald QC, as the Principal Accounting Officer (PAO) of the Crown Prosecution Service has personal responsibility for the proper presentation of the Crown Prosecution Service'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 Crown Prosecution Service.

In addition the Treasury has appointed an additional Accounting Officer who is accountable to the Director of Public Prosecutions for all matters concerning the management of the Crown Prosecution Service. This appointment does not detract from the Head of Department's overall responsibility as Accounting Officer for the Departments' Estimate and overall net cash requirement.

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 Crown Prosecution Service's policies, aims, and objectives; and should regularly review the effectiveness of that system.

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

## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions</b>		
Income from rent in jointly occupied buildings; Local Criminal Justice Boards (LCJBs) and other secondments; and Access to Work	2,927	-
Costs awarded to CPS in court	33,300	-
Costs awarded to CPS by recovered assets fund	-	-
<b>Total RfR 1</b>	<b>36,227</b> *	-
<i>of which: Administration budgets</i>	<i>300</i>	-

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of costs from private tenants in jointly occupied buildings; Income from Local Criminal Justice Boards and other secondments; Grants from the Access to Work scheme; Costs awarded to the CPS in Court.



## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Crown Prosecution Service's Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	14,102	613,571	-	613,571
<i>of which :Administration Budget</i>	<i>-415</i>	<i>57,538</i>	<i>-</i>	<i>57,538</i>
Capital	-394	7,006	-	7,006
Depreciation*	-	-5,056	-	-5,056
Total	13,708	615,521	-	615,521

*\*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

32,727



# 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:**

##### Increase in Resources

- |    |   |         |
|----|---|---------|
| 1. | Subhead C1 to meet cost of policy support to the Attorney General's office.<br>To provide additional administration resources to help fund the Legal Secretariat to the Law Officers (LSLO). This reflects the reallocation of resource DEL budgetary cover, within the Attorney General's resource DEL, from the Crown Prosecution Service to HM Procurator General & Treasury Solicitor.                  | 415,000 |
| 2. | Subhead C1 to meet the cost of policy support to the Attorney General's office<br>To provide additional administration resources to help fund the Legal Secretariat to the Law Officers (LSLO). This reflects the reallocation of resource DEL budgetary cover, within the Attorney General's resource DEL, from the Revenue and Customs Prosecutions Office to HM Procurator General & Treasury Solicitor. | 16,000  |

#### **Neutral Changes:**

##### Spending offset by Appropriations in Aid

- |    |   |   |
|----|---|---|
| 1. | Increase in gross expenditure (subhead A1) by £15,868,000 with a corresponding increase in Appropriations in Aid (subhead A5) | - |
|----|---|---|

##### Movement of provision within RfR

- |    |  |   |
|----|--|---|
| 1. | Transfer of £61,000 from subhead A1 to subhead C1 to meet the cost of policy support of the Attorney General's office    | - |
| 2. | Transfer depreciation charges of £917,000 from subheads A2, C2 and E2 (other current) to A1, C1 and E1 (administration). | - |

**Total change in resources for RfR1      431,000**

### Changes in capital

##### Take up of approved End Year Flexibility

- |    |   |         |
|----|---|---------|
| 1. | Increase subhead B7 to meet an increase in TSD capital expenditure. | 680,000 |
| 2. | Increase subhead C7 to meet an increase in LSLO capital expenditure | 70,000  |

**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 £1,181,000.

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

**Part I**

£

<b>RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies</b>	<b>431,000</b>
Total additional net resource requirement	431,000
<b>Additional net cash requirement</b>	<b>1,181,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by 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	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A TSD Administration	3,386	15,807	15,868	-61	3,325
RfR 1 - C LSLO Administration	3,720	492	-	492	4,212
<b>Total RfR 1</b>		<b>16,299</b>	<b>15,868</b>	<b>431</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	4,000	750	4,750
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>15,356</b>	<b>1,181</b>	<b>16,537</b>

**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	
<b>RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies</b>								
63,489	39,900	-	103,389	89,184	14,205	4,750	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A TSD Administration								
55,306	-	-	55,306	51,981	3,325	-	-	
B TSD Other								
-	-	-	-	-	-	4,650	-	
C LSLO Administration								
4,212	-	-	4,212	-	4,212	100	-	
D Operational Costs								
-	39,900	-	39,900	37,203	2,697	-	-	
E CPSI Administration								
3,971	-	-	3,971	-	3,971	-	-	
<b>Total for Estimate:</b>								
63,489	39,900	-	103,389	89,184	14,205	4,750	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>13,774</b>	<b>431</b>	<b>14,205</b>
<b>Voted capital items</b>			
Capital expenditure	4,000	750	4,750
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>4,000</b>	<b>750</b>	<b>4,750</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-1,982	1,382	-600
Depreciation	-917	-583	-1,500
New provisions and adjustments to previous provisions	-	-600	-600
Profit/loss on sale of assets	-		-
Prior period adjustments	-		-
Other non-cash items	-100	-	-100
Increase(+)/decrease (-) in stock	-1,000	1,200	200
Increase(+)/decrease (-) in debtors	500	200	700
Increase(-)/decrease (+) in creditors	1,020	-1,920	-900
Use of provisions	<u>61</u>	<u>321</u>	<u>382</u>
<b>Total accruals to cash adjustments</b>	<b>-2,418</b>	<b>-</b>	<b>-2,418</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>15,356</b>	<b>1,181</b>	<b>16,537</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	-	-	485	<i>485</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	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>485</u>	<u><i>485</i></u>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	<u>11,023</u>	
<b>Total Net Administration Costs</b>		<b>11,023</b>
<b>Net Programme Costs</b>		
RfR 1	<u>2,697</u>	
<b>Total Net Programme costs</b>		<b>2,697</b>
<b>Total Net Operating Cost</b>		<b>13,720</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>14,205</b>
CFERs		-485
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>14,205</b>



## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>14,205</b>
<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	-485
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>13,720</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	485
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>14,205</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	14,205
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>4,750</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>4,750</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,750
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**

Dame Juliet Wheldon, DCB, QC

Dame Juliet Wheldon, as the Principal Accounting Officer (PAO) of the HM Procurator General and Treasury Solicitor has personal responsibility for the proper presentation of the HM Procurator General and Treasury Solicitor'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 HM Procurator General and Treasury Solicitor's Department.

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 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 HM Procurator General and Treasury Solicitor's 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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies</b>		
Income from time charges, Crown Nominee Accounts in respect of Bona Vacantia and other miscellaneous income (eg tenant income, subscriptions, charges for provision of shared services, and photocopying charges)	51,981	-
Income from Disbursement charges	37,203	-
<b>Total RfR 1</b>	<b>89,184</b> *	-
<i>of which: Administration budgets</i>	<i>51,981</i>	-

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from legal and administrative services provided, charges for bona vacantia work, recovery of costs for tenants in jointly occupied buildings and European Fast streamers.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the HM Procurator General and Treasury Solicitor's Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	431	14,205	-	14,205
<i>of which :Administration Budget</i>	<i>1,348</i>	<i>11,569</i>	-	<i>11,569</i>
Capital	750	4,750	-	4,750
Depreciation*	-583	-1,500	-	-1,500
Total	598	17,455	-	17,455

\*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	89,184

# Ministry of Defence

## Introduction

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

Amount £

### Changes in Resources

#### **RfR 1: Provision of defence capability**

##### **Increases:**

##### Transfers in from other government departments

- |   |   |           |
|---|---|-----------|
| 1 | To effect a Resource transfer in from the Cabinet Office in respect of future funding arrangements with the Office of the Parliamentary Counsel (Section J) | 104,000   |
| 2 | To effect a Resource transfer in from the Foreign & Commonwealth Office in respect of an extension to aircraft operations (Section D)                       | 2,100,000 |

##### Draw Down of Department Unallocated Provision:

- |   |  |             |
|---|--|-------------|
| 1 | To draw down the Department's Unallocated Provision by transferring non-voted depreciation and provisions into voted DEL to meet Top Level Budget forecasts of Indirect Resource Expenditure (Sections A,B,C,D,E,F,G,H,I,J,K,L,M). | 885,000,000 |
|---|--|-------------|

##### Other increases: Non-Budget

- |   |   |             |
|---|---|-------------|
| 1 | To increase Non-Budget Expenditure to reflect the change in the Treasury Discount Rate from 3.5 % to 2.2% effective 1st April 2005.<br>(Sections A,B,C,D,E,F,G,H,I,J,K,L,M) | 267,606,000 |
|---|---|-------------|

##### **Decreases:**

- |   |   |             |
|---|---|-------------|
| 1 | Technical adjustment to the treatment of cash release of provisions agreed in principle in Spending Review 2004, but finalised later.<br>(Sections A,B,C,D,E,F,G,H,I,J,K,L,M) | -65,000,000 |
|---|---|-------------|

##### Transfers out to other government departments

- |   |  |              |
|---|--|--------------|
| 1 | To effect a transfer out to the Department of Trade & Industry relating to start up costs for the newly established Nuclear Decommissioning Authority (Section F). | -167,000,000 |
|---|--|--------------|

##### Internal Transfers

- |   |  |             |
|---|--|-------------|
| 1 | To effect a transfer out from RfR 1 Resource to RfR 2 Resource to cover cost of capital and depreciation charges associated with fixed assets purchased under Urgent Operational Requirement arrangements (Section L). | -54,971,000 |
|---|--|-------------|

##### Annually Managed Expenditure:

- |   |  |              |
|---|--|--------------|
| 1 | To reduce Annually Managed Expenditure to reflect Top Level Budget forecasts principally relating to the reduction of nuclear provisions.<br>(Sections Q,R,S,T)  | -43,825,000  |
| 2 | To reduce Annually Managed Expenditure to reflect the transfer of civil nuclear liability provisions to the DTI, relating to start up costs for the newly established Nuclear Decommissioning Authority (Section U). | -107,683,000 |

## Introduction (*continued*)

### Increased Spending offset by income:

#### Appropriations in Aid

- 1 To recognise an increase in Appropriations in Aid of £ 10,000,000 relating to income being forecast above allocation (Section J).

0

### **Neutral Changes:**

- 1 To recognise a Grant in Aid payment to the Royal Hospital Chelsea and the National Army Museum of £ 175,000 to fund commercial insurance policies on listed buildings by increasing non-budget and reducing DEL (Sections H and W)

0

### Transfers within the RfR

- 1 To revise sub-head provisions to reflect the above changes and revisions in allocations between Top Level Budget Holders to match required defence outputs. (Sections A to M)

**Total changes in resources for RfR1** 716,331,000

### **RfR 2: Conflict prevention**

#### **Increases:**

#### Peace-keeping Operations

- 1 To increase RfR2 to reflect the costs of peace-keeping in Iraq and Afghanistan. (Section C)

933,565,000

#### Transfer from RfR 1:

- 1 To effect a transfer in from RfR 1 Resource to cover Cost of Capital and depreciation charges associated with fixed assets purchased under Urgent Operational Requirement arrangements (Section C) .

54,971,000

#### Transfers in from Other Government Departments

- 1 To effect transfers in from the Foreign & Commonwealth Office in respect of the Balkans Conflict Prevention Pool of £ 64,000,000; and for Global Rest of the World Conflict Prevention Pool costs of £ 3,200,000 (Section B)

67,200,000

**Total changes in resources for RfR2** 1,055,736,000

### **RfR 3: War Pensions and Allowances, etc.**

#### **Increases:**

- 1 To increase War Pension Benefits Programme costs to cover additional widows expenditure (Section A).

4,000,000

**Total changes in resources for RfR3** 4,000,000

**Total changes in Resources for Estimate** 1,776,067,000

## Introduction (*continued*)

### Changes in capital

#### RfR 1: Provision of defence capability

##### Decreases

1	To recognise a Capital DEL reduction following the advanced purchase of programmed equipment as Urgent Operational Requirements under RfR 2 in 2004/5 (Section L)	-15,000,000
2	Technical adjustment to the treatment of cash release of provisions agreed in principle in Spending Review 2004, but finalised later (Section J)	-55,000,000

##### **Neutral Changes:**

##### **Increased Spending offset by income:**

1	To recognise an increase in Appropriations in Aid of £ 27,857,000 relating to the redemption of preference shares held by the MOD in QinetiQ (Section J)	0
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#### RfR 2: Conflict prevention

##### **Increases:**

##### Peace-keeping Operations

1	To increase RfR2 to reflect Capital costs of peace-keeping in Iraq and Afghanistan.	329,997,000
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**Total changes in Capital for Estimate**      259,997,000

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £ 1,889,814,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Provision of defence capability</b>	<b>716,331,000</b>
<b>RfR 2: Conflict prevention</b>	<b>1,055,736,000</b>
<b>RfR 3: War Pensions and Allowances, etc.</b>	<b>4,000,000</b>
Total additional net resource requirement	1,776,067,000
<b>Additional net cash requirement</b>	<b>1 1,889,814,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Ministry of Defence on:

**RfR 1: Provision of defence capability**

Personnel costs of the Armed Forces and their 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 research etc., by contract; sundry procurement services including those on repayment terms; land and buildings works grants and other payments including those abroad such as assistance to Foreign and Commonwealth Governments for grants and other payments including those on repayment terms; land and buildings works 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 peace building 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/allowance for disablement or death arising out of war 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.

Note 1:

£1,839,814,000 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

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Provision of defence capability</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Commander-in-Chief Fleet	3,566,475	-8,083	-	-8,083	3,558,392
RfR 1 - B General Officer Commanding (Northern Ireland)	554,967	31,971	-	31,971	586,938
RfR 1 - C Commander-in-Chief Land Command	5,593,831	-50,624	-	-50,624	5,543,207
RfR 1 - D Commander-in-Chief Strike Command	3,833,734	210,248	-	210,248	4,043,982
RfR 1 - E Chief of Joint Operations	508,367	19,465	-	19,465	527,832
RfR 1 - F Chief of Defence Logistics	7,642,342	409,516	-	409,516	8,051,858
RfR 1 - G 2nd Sea Lord/Commander-in-Chief Naval Home Command	745,143	2,080	-	2,080	747,223
RfR 1 - H Adjutant General (Personnel and Training Command)	1,758,795	172,677	-	172,677	1,931,472
RfR 1 - I Commander-in-Chief Personnel and Training Command	930,255	-68,163	-	-68,163	862,092
RfR 1 - J Central	2,419,582	250,058	10,000	240,058	2,659,640
RfR 1 - K Defence Estates	1,025,444	114,712	-	114,712	1,140,156
RfR 1 - L Defence Procurement Agency	2,548,195	-475,017	-	-475,017	2,073,178
RfR 1 - M Corporate Science and Technology	502,088	1,218	-	1,218	503,306
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - Q Commander-in-Chief Fleet	34,154	-30,178	-	-30,178	3,976
RfR 1 - R Chief of Defence Logistics	27,577	-24,029	-	-24,029	3,548
RfR 1 - S Chief of Joint Operations	-4,000	11,036	-	11,036	7,036
RfR 1 - T Central	4,152	-654	-	-654	3,498
RfR 1 - U Defence Procurement Agency	175,381	-107,683	-	-107,683	67,698
<b>Non-budget</b>					
RfR 1 - W Adjutant General (Personnel and Training Command)	10,623	175	-	175	10,798
RfR 1 - AE Defence Procurement Agency	1,829,585	267,606	-	267,606	2,097,191
<b>Total RfR 1</b>		<b>726,331</b>	<b>10,000</b>	<b>716,331</b>	

**RfR 2: Conflict prevention****Spending in Departmental Expenditure Limits (DEL)**

RfR 2 - A	Programme Sub-Saharan Africa	30,520	-	-	-	30,520
RfR 2 - B	Programme Rest of the World	15,020	67,200	-	67,200	82,220
RfR 2 - C	Peace Keeping Rest of the World	-	988,536	-	988,536	988,536
<b>Total RfR 2</b>			<b>1,055,736</b>	<b>-</b>	<b>1,055,736</b>	

**RfR 3: War Pensions and Allowances, etc.****Spending in Annually Managed Expenditure (AME)**

RfR 3 - A	War Pensions Benefits Programme costs	1,064,466	4,000	-	4,000	1,068,466
<b>Total RfR 3</b>			<b>4,000</b>	<b>-</b>	<b>4,000</b>	

**Total Changes to RfRs**

<b>1,786,067</b>	<b>10,000</b>	<b>1,776,067</b>
------------------	---------------	------------------

	<b>Present Provision</b>	<b>Change in Provision</b>	<b>£000 New Provision</b>
<b>Capital and Cash</b>			
Total Capital Expenditure	7,100,721	287,854	7,388,575
Non-Operating A in A	579,184	27,857	607,041
<b>Net cash requirement</b>	<b>29,612,178</b>	<b>1,889,814</b>	<b>31,501,992</b>

**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	
<b>RfR 1: Provision of defence capability</b>								
-	35,793,426	217,669	36,011,095	1,346,570	34,664,525	7,058,578	607,041	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Commander-in-Chief Fleet								
-	3,575,218	-	3,575,218	16,826	3,558,392	5,697	10	
B General Officer Commanding (Northern Ireland)								
-	588,069	-	588,069	1,131	586,938	18,044	650	
C Commander-in-Chief Land Command								
-	5,739,333	84	5,739,417	196,210	5,543,207	73,891	-	
D Commander-in-Chief Strike Command								
-	4,071,645	-	4,071,645	27,663	4,043,982	19,104	-	
E Chief of Joint Operations								
-	555,043	15	555,058	27,226	527,832	21,320	610	
F Chief of Defence Logistics								
-	8,356,555	863	8,357,418	305,560	8,051,858	1,070,606	9,724	
G 2nd Sea Lord/Commander-in-Chief Naval Home Command								
-	779,369	7,814	787,183	39,960	747,223	18,213	-	
H Adjutant General (Personnel and Training Command)								
-	1,963,602	6,442	1,970,044	38,572	1,931,472	16,052	-	
I Commander-in-Chief Personnel and Training Command								
-	1,013,028	7,726	1,020,754	158,662	862,092	19,765	114	
J Central								
-	2,774,651	181,866	2,956,517	296,877	2,659,640	56,697	73,743	
K Defence Estates								
-	1,371,332	-	1,371,332	231,176	1,140,156	692,987	498,892	
L Defence Procurement Agency								
-	2,079,885	-	2,079,885	6,707	2,073,178	5,046,202	-	
M Corporate Science and Technology								
-	500,393	2,913	503,306	-	503,306	-	-	
N Loans and Grants to and repayments from the Hydrographic Office								
-	-	-	-	-	-	-	303	
O Loans and Grants to and Repayments from DARA								
-	-	-	-	-	-	-	4,840	
P Loans and Grants to and Repayments from ABRO								
-	-	-	-	-	-	-	2,155	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
Q Commander-in-Chief Fleet								
-	3,976	-	3,976	-	3,976	-	-	
R Chief of Defence Logistics								
-	3,548	-	3,548	-	3,548	-	-	
S Chief of Joint Operations								
-	7,036	-	7,036	-	7,036	-	-	
T Central								
-	3,498	-	3,498	-	3,498	-	-	
U Defence Procurement Agency								
-	67,698	-	67,698	-	67,698	-	-	
V Loans and Grants to and Repayments from QinetiQ								
-	-	-	-	-	-	-	16,000	

**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	
<b>Non-budget</b>								
W	Adjutant General (Personnel and Training Command)							
-	1,416	9,382	10,798	-	10,798	-	-	-
X	Commander-in-Chief Personnel and Training Command							
-	212	-	212	-	212	-	-	-
Y	Central							
-	17,488	564	18,052	-	18,052	-	-	-
Z	Chief of Defence Logistics							
-	169,038	-	169,038	-	169,038	-	-	-
AA	Commander-in-Chief Land Command							
-	5,267	-	5,267	-	5,267	-	-	-
AB	Chief of Joint Operations							
-	1,212	-	1,212	-	1,212	-	-	-
AC	Commander-in-Chief Fleet							
-	39,072	-	39,072	-	39,072	-	-	-
AD	Commander-in-Chief Strike Command							
-	612	-	612	-	612	-	-	-
AE	Defence Procurement Agency							
-	2,097,191	-	2,097,191	-	2,097,191	-	-	-
AF	General Officer Commanding (Northern Ireland)							
-	338	-	338	-	338	-	-	-
AG	2nd Sea Lord/Commander-in-Chief Naval Home Command							
-	297	-	297	-	297	-	-	-
AH	Defence Estates							
-	7,404	-	7,404	-	7,404	-	-	-
<b>RfR 2: Conflict prevention</b>	<b>1,101,276</b>	<b>-</b>	<b>1,101,276</b>	<b>-</b>	<b>1,101,276</b>	<b>329,997</b>	<b>-</b>	<b>-</b>
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	Programme Sub-Saharan Africa							
-	30,520	-	30,520	-	30,520	-	-	-
B	Programme Rest of the World							
-	82,220	-	82,220	-	82,220	-	-	-
C	Peace Keeping Rest of the World							
-	988,536	-	988,536	-	988,536	329,997	-	-
D	Peace Keeping Sub-Saharan Africa							
-	-	-	-	-	-	-	-	-
<b>RfR 3: War Pensions and Allowances, etc.</b>	<b>-</b>	<b>1,072,972</b>	<b>1,072,972</b>	<b>-</b>	<b>1,072,972</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
A	War Pensions Benefits Programme costs							
-	-	1,068,466	1,068,466	-	1,068,466	-	-	-
B	War Pensions Benefits Programme costs - Far Eastern Prisoners of War							
-	-	4,500	4,500	-	4,500	-	-	-

**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	
War Pensions Benefits Programme costs - British Limbless Ex-Servicemen's Association C (BLESMA)								
-		6	6	-	6	-	-	
<b>Total for Estimate:</b>								
-	36,894,702	1,290,641	38,185,343	1,346,570	36,838,773	7,388,575	607,041	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>35,062,706</b>	<b>1,776,067</b>	<b>36,838,773</b>
<b>Voted capital items</b>			
Capital expenditure	7,100,721	287,854	7,388,575
<i>Less: non-operating A in A</i>	<u>579,184</u>	<u>27,857</u>	<u>607,041</u>
<b>Total net voted capital</b>	<b>6,521,537</b>	<b>259,997</b>	<b>6,781,534</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,284,067	-	-2,284,067
Depreciation	-7,556,000	-612,297	-8,168,297
New provisions and adjustments to previous provisions	-2,754,874	-121,195	-2,876,069
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	101,322	179,000	280,322
Increase(+)/decrease (-) in debtors	3,243	-	3,243
Increase(-)/decrease (+) in creditors	-79,777	211,000	131,223
Use of provisions	<u>598,088</u>	<u>197,242</u>	<u>795,330</u>
<b>Total accruals to cash adjustments</b>	<b>-11,972,065</b>	<b>-146,250</b>	<b>-12,118,315</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>29,612,178</b>	<b>1,889,814</b>	<b>31,501,992</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
	RfR 1	-
	RfR 2	-
	RfR 3	-
		<hr/>
<b>Total Net Administration Costs</b>		-
<b>Net Programme Costs</b>		
	RfR 1	34,664,525
	RfR 2	1,101,276
	RfR 3	1,072,972
		<hr/>
<b>Total Net Programme costs</b>		<b>36,838,773</b>
<b>Total Net Operating Cost</b>		<b>36,838,773</b>
<i>of which:</i>		
	<b>Net Resource Outturn</b>	<b>36,838,773</b>
	CFERs	-
	Non-voted expenditure	-
<b>Resource Budget Outturn</b>		<b>34,513,984</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>36,838,773</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>36,838,773</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-2,340,286
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	15,497
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>34,513,984</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	33,727,344
Annually Managed Expenditure (AME)	786,640

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>6,781,534</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>6,782,278</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,798,278
Annually Managed Expenditure (AME)	-16,000



## 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.

<b>Request for Resources 1</b>	Bill Jeffrey, Principal Accounting Officer and permanent head of department
<b>Request for Resources 2</b>	Bill Jeffrey, Principal Accounting Officer and permanent head of department
<b>Request for Resources 3</b>	Bill Jeffrey, Principal Accounting Officer and permanent head of department

Bill Jeffrey as the Principal Accounting Officer (PAO) of the Ministry of Defence has personal responsibility for the proper presentation of the Ministry of Defence'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 an assigned RfRs, 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 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 Ministry of Defence'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Provision of defence capability</b>		
Income from supplies and services	1,002,953	-
Loan and rental income	257,107	-
Interest received	4,789	-
Trading fund dividend	12,053	-
Other income	69,668	-
Income from the sale of fixed assets	-	510,000
Loan repayments from trading funds	-	97,041
<b>Total RfR 1</b>	<b>1,346,570 *</b>	<b>607,041 **</b>
* 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.		
** 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.		
<b>Total A in A</b>	<b>1,346,570</b>	<b>607,041</b>
<i>of which: Administration budgets</i>	-	

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Ministry of Defence's Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	770,794	33,330,552	396,792	33,727,344
<i>of which :Administration Budget</i>	-	-	-	-
Capital	259,997	6,797,534	744	6,798,278
Depreciation*	272,703	-8,168,297	-	-8,168,297
Total	1,303,494	31,959,789	397,536	32,357,325

\*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  
1,953,611

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:

Subhead	Service		£'000
<b>RfR1</b>			
G: Royal Navy and Royal Marine Sports Control Board		■	117
H: Army Sports Control Board		■	404
I: RAF Sports Control Board		■	83
J: The Royal British Legion		■	308
J: Skill Force - Scotland/Wales		■	300
J: The Scott Polar Institute		■	35
<b>RfR3</b>			
C: 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		■	4500



# 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.**

**Neutral change:**

Token Estimate

1. To provide additional gross resources for the Armed Forces Retired Pay, Pensions etc to meet payment commitments relating to retired pay and other payments to Service personnel and dependants (RfR 1 Sub head A).	35,001,000
2. To reflect the increase in Appropriations-in-Aid of £ 35,000,000. (RfR1 Subhead A)	-35,000,000

**Total change in resources for RfR1** 1,000

**Total change in resources for Estimate** 1,000

2. As a result of the above and associated non-cash adjustments, there is no increase in the Net Cash Requirement of £ 1,723,220,000.
3. Symbols are explained in the Introduction to this booklet.

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**Part I**

£

**RfR 1: Armed Forces retired pay, pensions, etc.** 1,000

Total additional net resource requirement 1,000

**Additional net cash requirement** -

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Ministry of Defence on:

**RfR 1: Armed Forces retired pay, pensions, etc.**

Payment of retired pay, pensions and lump sum benefits to persons covered by the scheme.

The **Ministry of Defence** 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
<b>RfR 1: Armed Forces retired pay, pensions, etc.</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - A Retired pay, pensions and other payments to service personnel and their dependants	4,458,544	35,001	35,000	1	4,458,545
<b>Total RfR 1</b>		<b>35,001</b>	<b>35,000</b>	<b>1</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>1,723,220</b>	-	<b>1,723,220</b>

**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	
<b>RfR 1: Armed Forces retired pay, pensions, etc.</b>								
-	15,823,783	-	15,823,783	1,365,238	14,458,545	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
A Retired pay, pensions and other payments to service personnel and their dependants								
-	5,823,783	-	5,823,783	1,365,238	4,458,545	-	-	
<b>Non-budget</b>								
B Retired pay, pensions and other payments to service personnel and their dependants								
-	10,000,000	-	10,000,000	-	10,000,000	-	-	
<b>Total for Estimate:</b>								
-	15,823,783	-	15,823,783	1,365,238	14,458,545	-	-	



## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>14,458,544</b>	<b>1</b>	<b>14,458,545</b>
<b>Voted capital items</b>			
Capital expenditure	-	-	-
<i>Less:</i> non-operating A in A	-	-	-
<b>Total net voted capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-15,788,782	-35,000	-15,823,782
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	358	-	358
Increase(-)/decrease (+) in creditors	157,582	-	157,582
Use of provisions	2,895,518	34,999	2,930,517
<b>Total accruals to cash adjustments</b>	<b>-12,735,324</b>	<b>-1</b>	<b>-12,735,325</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>1,723,220</b>	<b>-</b>	<b>1,723,220</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Combined Revenue Account

		£'000
		2005-06 provision
<b>Income</b>		
Contributions received	1,360,250	
Transfers in	4,740	
Other income receivable	<u>248</u>	
<b>Total Net Administration Costs</b>		<b>1,365,238</b>
<b>Expenditure</b>		
Increase in liability	1,711,826	
Interest on scheme liability	4,078,957	
Other expenditure	<u>33,000</u>	
<b>Total Net Programme costs</b>		<b>5,823,783</b>
<b>Total Net Operating Cost</b>		<b>4,458,545</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>14,458,545</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>4,458,545</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>14,458,545</b>
<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	-10,000,000
<b>Net Operating Costs (Accounts)</b>	<b>4,458,545</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>4,458,545</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	14,458,545

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	-
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

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## 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 Ministry of Defence

Bill Jeffrey, as the Principal Accounting Officer (PAO) of the Ministry of Defence has personal responsibility for the proper presentation of the Armed Forces Retired Pay, Pensions, etc. 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 an assigned RfR, 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 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 Armed Forces Retired Pay, Pensions, etc.'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Armed Forces retired pay, pensions, etc.</b>		
Contributions receivable	1,360,250	-
Transfers In	4,740	-
Other income	248	-
<b>Total RfR 1</b>	<b>1,365,238</b> *	-
<i>of which: Administration budgets</i>		-

\* Amount that may be applied as appropriations in aid in addition to the net total, arising from: accruing superannuation liability charges and pension enhancements and transfers into the Armed Forces Pension Scheme (AFPS).

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**Notes to the Estimate (*continued*)**

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**Cash which may be retained to offset expenditure****£'000**

1,365,238

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:

### Changes in resources

Amount £

#### **RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community**

#### **Increases:**

#### Take up of End Year Flexibility

1.	£23,092,000	
	Section D1	23,092,000
	Take up of Non-Cash EYF - 2004-05 Non Cash underspend and Impairments DUP	
2.	£5,000,000	5,000,000
	Section A1	
	Take up of 2004-05 DUP	

#### Transfers between RfRs

1	From RfR2	8,500,000
	£8,500,000	
	Section A2	
	Contribution to Afghan Delivery Plan	

#### Transfers from Non-Voted Spending

1	Departmental Unallocated Provision	
	£12,000,000	12,000,000
	Section A2	
2	Departmental Unallocated Provision	
	£4,000,000	4,000,000
	Section A2	
3	£20,000,000	20,000,000
	Section D1	
	Departmental Unallocated Provision for impairments	

#### Transfers from other government departments

1.	PES transfer from Cabinet Office	
	£61,000	61,000
	Section A1	
	Parliamentary Counsel Office	
2	PES transfer from Home Office	
	£4,000,000	4,000,000
	Section A2	
	Afghan Delivery Plan	

## Introduction (*continued*)

### Other Increases

1.	DEL Reserve Claim £12,600,000 Section A2 Consular Premium Collected in the UK	12,600,000
2.	DEL Reserve Claim £10,000,000 Section A3 FCO/HMT 50/50 International Organisations cost sharing agreement	10,000,000
3.	Emergency and Disaster Reserve Claim £8,000,000 Section A2 Claim to meet 2004-05 Tsunami costs	8,000,000
4.	Del Reserve Claim £10,500,000 Section A2 Claim to meet 2005-06 Tsunami costs	10,500,000
5.	Transfer from DEL Reserve £1,386,000; £1,407,000 Sections A1 and C2 Overseas Pricing Mechanism (OPM)	1,386,000 1,407,000
6.	Increase in Non Budget Spending £2,000,000 Section G2 Increase in forecast	2,000,000

### **Decreases:**

#### Transfers to other government departments

1.	PES transfer to SIA £875,000 Section A2 Planned Programme Activity	-875,000
2.	PES transfer to SIA £100,000 Section A1 Planned Programme Activity	-100,000
3.	PES transfer to MOD £2,100,000 Section A2 Overseas Programme Funding	-2,100,000

#### Other Decreases

1.	Transfer to the DEL Reserve £4,349,000 Section A2 Overseas Pricing Mechanism	-4,349,000
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## Introduction (*continued*)

### Transfers between RfRs

1.	Transfer RfR1 to RfR2 Section A2 £1,500,000 Transfer of Iraq funding	-1,500,000
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### **Neutral Changes:**

#### Increased spending offset by income

1.	£14,400,000 Sections A2 and A5 Consular A in A
2.	£10,000,000 Sections A1 and A5 Increase in external Income
3.	£39,100,000 Sections A2 and A5 Visa Income

#### Transfers within RfR

1	£20,000,000 Sections A1 and D1 Non cash to near cash switch
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**Total change in resources for RfR1** 113,622,000

### **RfR 2: Conflict prevention**

#### **Increases:**

#### Take up of End-Year Flexibility

1.	Programme costs £6,812,000 Section B3 Take up of 2004-05 Global Conflict Prevention Pool underspend for planned programme activity	6,812,000
----	---	-----------

#### Transfers from Central Funds

1.	Drawdown balance of Africa Peacekeeping Main Estimate Provision £78,533,000 Section C3 For planned programme activity and PES transfers	78,533,000
2.	Drawdown balance of Global Peacekeeping Main Estimate Provision £92,124,000 Section D3 For planned programme activity and PES transfers	92,124,000

## Introduction (*continued*)

### Transfers from non-voted spending

1.	Departmental Unallocated Provision (DUP)	
	£10,000,000	10,000,000
	Section B3	
	For planned programme activity and PES transfers	

### Transfers between RfRs

1	Transfer RfR1 to RfR2	
	Section B3	
	£1,500,000	1,500,000
	Transfer of Iraq funding	

### **Decreases:**

#### Transfers to other government departments

1.	PES transfer to SIA	
	£334,000	-334,000
	Section B3	
	Planned Programme Activity	
2.	PES transfer to DFID	
	£2,000,000	-2,000,000
	Section B3	
	For agreed GCPP Activity	
3.	PES transfer to MOD	
	£3,200,000	-3,200,000
	Section B3	
	For agreed GCPP Activity	
4.	PES transfer to MOD	
	£64,000,000	-64,000,000
	Section D3	
	For agreed GCPP activity	
5.	PES transfer to DfID	
	£150,000	-150,000
	Section A3	
	Africa Conflict Prevention Activity	

### Transfers between RfRs

1	To RfR1	-8,500,000
	£2,500,000	
	Section C3	
	£6,000,000	
	Section D3	
	Contribution to Afghan Delivery Plan	

**Total change in resources for RfR2** 110,785,000

**Total change in resources for Estimate** 224,407,000

## Introduction (*continued*)

### Changes in capital

1.	Increase in Budgetary Cover £3,359,000 Section A7 Home Office contribution to Biometrics Programme	3,359,000
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2.	Claim on DEL Reserve £360,000 Section A7 Overseas Pricing Mechanism	360,000
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<u>End Year Flexibility</u>		
1.	£10,000,000 Section A7 Take up of 2004-05 underspend	10,000,000

<u>Neutral Changes</u>		
1.	Increased spending offset by income £3,000,000 Section A8 Asset Recycling agreement	

<b>Total change in capital for Estimate</b>	<b>13,719,000</b>
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2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £226,434,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community</b>	<b>113,622,000</b>
<b>RfR 2: Conflict prevention</b>	<b>110,785,000</b>
Total additional net resource requirement	224,407,000
<b>Additional net cash requirement</b>	<b>226,434,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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 including UK Trade and Investment, on its administration, Wilton Park Executive Agency, hospitality and facilities; international organisations, grants in aid and loans 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, the BBC Monitoring Service; 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
<b>RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration, international organisations programmes and BBC Monitoring subscriptions	935,615	150,623	63,500	87,123	1,022,738
RfR 1 - B BBC World Service Broadcasting	208,143	-	-	-	208,143
RfR 1 - C British Council	180,003	1,407	-	1,407	181,410
RfR 1 - D Accruals consequences of DEL programmes: administration	166,320	23,092	-	23,092	189,412
<b>Non-budget</b>					
RfR 1 - G Reimbursement of certain duties, taxes and licence fees	18,000	2,000	-	2,000	20,000
<b>Total RfR 1</b>		<b>177,122</b>	<b>63,500</b>	<b>113,622</b>	
<b>RfR 2: Conflict prevention</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 2 - A Sub-Saharan Africa - Programme expenditure	2,356	-150	-	-150	2,206
RfR 2 - B Global - programme expenditure	33,580	12,778	-	12,778	46,358
RfR 2 - C Sub-Saharan Africa - Peacekeeping	112,000	76,033	-	76,033	188,033
RfR 2 - D Global - Peacekeeping	100,000	22,124	-	22,124	122,124
<b>Total RfR 2</b>		<b>110,785</b>	<b>-</b>	<b>110,785</b>	
<b>Total Changes to RfRs</b>		<b>287,907</b>	<b>63,500</b>	<b>224,407</b>	

£000

	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	136,993	16,719	153,712
Non-Operating A in A	15,015	3,000	18,015
<b>Net cash requirement</b>	<b>1,740,076</b>	<b>226,434</b>	<b>1,966,510</b>

**Part II: Subhead detail**

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	
<b>RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community</b>								
<b>933,908</b>	<b>818,456</b>	<b>228,970</b>	<b>1,981,334</b>	<b>320,831</b>	<b>1,660,503</b>	<b>153,712</b>	<b>18,015</b>	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration, international organisations programmes and BBC Monitoring subscriptions								
764,496	388,903	190,170	1,343,569	320,831	1,022,738	153,712	18,015	
B BBC World Service Broadcasting								
-	208,143	-	208,143	-	208,143	-	-	
C British Council								
-	181,410	-	181,410	-	181,410	-	-	
D Accruals consequences of DEL programmes: administration								
169,412	20,000	-	189,412	-	189,412	-	-	
E BBC World Service - Capital grant								
-	-	31,000	31,000	-	31,000	-	-	
F British Council - Capital grant								
-	-	7,800	7,800	-	7,800	-	-	
<b>Non-budget</b>								
G Reimbursement of certain duties, taxes and licence fees								
-	20,000	-	20,000	-	20,000	-	-	
<b>RfR 2: Conflict prevention</b>								
-	-	<b>358,721</b>	<b>358,721</b>	-	<b>358,721</b>	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Sub-Saharan Africa - Programme expenditure								
-	-	2,206	2,206	-	2,206	-	-	
B Global - programme expenditure								
-	-	46,358	46,358	-	46,358	-	-	
C Sub-Saharan Africa - Peacekeeping								
-	-	188,033	188,033	-	188,033	-	-	
D Global - Peacekeeping								
-	-	122,124	122,124	-	122,124	-	-	
<b>Total for Estimate:</b>								
<b>933,908</b>	<b>818,456</b>	<b>587,691</b>	<b>2,340,055</b>	<b>320,831</b>	<b>2,019,224</b>	<b>153,712</b>	<b>18,015</b>	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>1,794,817</b>	<b>224,407</b>	<b>2,019,224</b>
<b>Voted capital items</b>			
Capital expenditure	136,993	16,719	153,712
<i>Less: non-operating A in A</i>	<u>15,015</u>	<u>3,000</u>	<u>18,015</u>
<b>Total net voted capital</b>	<b>121,978</b>	<b>13,719</b>	<b>135,697</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-62,835	2,000	-60,835
Depreciation	-113,624	-25,092	-138,716
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	<u>-</u>	<u>11,400</u>	<u>11,400</u>
<b>Total accruals to cash adjustments</b>	<b>-176,719</b>	<b>-11,692</b>	<b>-188,411</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>1,740,076</b>	<b>226,434</b>	<b>1,966,510</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	2,401	<i>2,402</i>	3,601	<i>3,601</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	-	-	-	-
<b>Total</b>	<b>2,401</b>	<b><i>2,402</i></b>	<b>3,601</b>	<b><i>3,601</i></b>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
RfR 1	857,677	
RfR 2	-	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>857,677</b>
<b>Net Programme Costs</b>		
RfR 1	799,225	
RfR 2	358,721	
Common Foreign and Security Policy	6,713	
	<hr/>	
<b>Total Net Programme costs</b>		<b>1,164,659</b>
<b>Total Net Operating Cost</b>		<b>2,022,336</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>2,019,224</b>
CFERs		-3,601
Non-voted expenditure		6,713
<b>Resource Budget Outturn</b>		<b>2,005,937</b>

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## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>2,019,224</b>
<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 (CFERS) in the OCS	-3,601
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>2,022,336</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-20,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	3,601
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>2,005,937</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,005,937
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>135,697</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	1,000
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>136,697</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	136,697
Annually Managed Expenditure (AME)	-

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## Notes to the Estimate

### 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 Michael Jay, Principal Accounting Officer and permanent head of department

**Request for Resources 2**      Sir Michael Jay, Principal Accounting Officer and permanent head of department

Sir Michael Jay as the Principal Accounting Officer (PAO) of the Foreign and Commonwealth Office has personal responsibility for the proper presentation of the Foreign and Commonwealth Office'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 RfRs, 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 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 Foreign and Commonwealth Office's policies, aims and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community</b>		
Refunds of salaries of seconded FCO staff	1,256	-
Sale of information material	49	-
Sales into Wider Markets	15,590	-
Income from sub-letting and receipts from sales of surplus material and equipment	110	-
Receipts at home and overseas from legalisation fees, telephone and postage recoveries, medical schemes recoveries, bank interest and other sundry receipts	5,335	-
Receipts from Government Departments	96,465	-
Overseas receipts relating to local budgets	2,572	-
Receipts from visa and other services provided at consular offices	197,376	-
Lancaster House receipts from other customers	87	-
Wilton Park Executive Agency	1,679	-
Distressed British nationals, repayment of advances	65	-
DFID payments to Commonwealth Foundation	247	-
Income from sale of fixed assets	-	18,015
<b>Total RfR 1</b>	<b>320,831</b> *	<b>18,015</b> **

\* 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 Sales into Wider Markets.

\*\* Amount that may be applied as non-operating appropriation in aid including receipts from the sale of land and buildings, receipts from the sale of official vehicles and receipts realised by the British Council.

<b>Total A in A</b>	<b>320,831</b>	<b>18,015</b>
<i>of which: Administration budgets</i>	<i>108,231</i>	-

## Notes to the Estimate

### Analysis of Consolidated Fund Extra Receipts (CFERs)

	£'000	
	2005-06 provision	
	Income	Receipts
Consular fees	3,601	3,601
<b>Total</b>	<b>3,601</b>	<b>3,601</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Foreign and Commonwealth Office Departmental Expenditure Limit will change as follows:

	New DEL			£'000
	Change	Voted	Non-voted	Total
Resource	176,407	1,999,224	6,713	2,005,937
<i>of which : Administration Budget</i>	<i>29,439</i>	<i>825,677</i>	-	<i>825,677</i>
Capital	13,719	135,697	1,000	136,697
Depreciation*	-5,092	-138,716	-	-138,716
<b>Total</b>	<b>185,034</b>	<b>1,996,205</b>	<b>7,713</b>	<b>2,003,918</b>

\*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**  
338,846

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 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:**

##### Take up of End Year Flexibility

- |    |   |            |
|----|---|------------|
| 1. | Programme Resource<br>£50,000,000 of near cash resource to Section D<br>Increase in respect of humanitarian assistance following the earthquake in Pakistan | 50,000,000 |
|----|---|------------|

##### Transfers from another RfR

- |    |   |           |
|----|---|-----------|
| 1. | Programme Resource<br>£4,000,000 of near cash to Section D<br>Transfer from Request for Resources 2 to fund increases in respect of humanitarian assistance programmes and contributions to international aid organisations | 4,000,000 |
|----|---|-----------|

##### Other Increases

- |    |   |           |
|----|---|-----------|
| 1. | Programme Resource<br>£8,110,000 of non-cash to Section J<br>Increased forecasts within Annually Managed Expenditure for cost of capital charge on DFID's investment in public corporations | 8,110,000 |
| 2. | Administration Costs<br>£11,000 of near cash to Section G<br>Increased provision from within the administration budget relating to the purchase of legal services                           | 11,000    |

#### **Neutral Changes:**

##### Transfers within the RfR

- |   |   |  |
|---|---|--|
| 1 | Transfer of £24,000,000 of near cash programme resource from Section D to Section B in respect of development programmes in Asia                  |  |
| 2 | Transfer of £25,000,000 of near cash programme resource from Section D to Section C in respect of development programmes in the Rest of the World |  |
| 3 | Transfer of £29,000,000 of near cash programme resource from Section D to Section F in respect of programmes contributing to multiple objectives  |  |

##### Increases/Decreases in gross spending offset by Appropriations in Aid

- |   |  |  |
|---|--|--|
| 1 | Amount -£108,000<br>Reduction in gross resource provision in Section A to offset lower income from sales relating to bilateral and sectoral programmes in sub-Saharan Africa |  |
| 2 | Amount -£50,000<br>Reduction in gross resource provision in Section B to offset lower income from sales relating to bilateral and sectoral programmes in Asia                |  |

**Introduction (*continued*)**

- 3 Amount -£90,000  
Reduction in gross resource provision in Section C to offset lower income from sales relating to bilateral and sectoral programmes in the Rest of the World
- 4 Amount £10,000  
Increase in administration costs provision in Section D offset by additional income for seconded officers
- 5 Amount £70,000  
Increase in gross resource provision in Section F offset by additional income from sale of publications

**Total change in resources for RfR1**      **62,121,000**

**RfR 2: Conflict prevention****Increases:**Transfers from Non Voted Spending

- 1 Take up of Departmental Unallocated Provision      2,500,000  
£2,500,000 of near cash programme resource to Section A for Africa Conflict Prevention programmes

Transfers from other government departments

- 1 Foreign and Commonwealth Office      2,000,000  
£2,000,000 of near cash programme resource to Section B for Global Conflict Prevention programmes

**Decreases:**Transfers to another RfR

1. Programme Resource      -4,000,000  
£4,000,000 of near cash programme resource savings on post conflict reconstruction programmes transferred to Request for Resources 1, Section D

**Total change in resources for RfR2**      **500,000**

**Total change in resources for Estimate**      **62,621,000**

**Changes in capital****Neutral Changes:**

- 1 Increase in gross capital provision in Section C of £117,000 for expenditure on financial investments offset by additional Non Operating Appropriations in Aid in Sections A (£50,000), Section B (£35,000) and Section C (£32,000) from sales of vehicles and furniture by DFID regional offices.
- 2 Transfer of £8,000 of gross capital provision from Section G to Section C for expenditure on financial investments from savings on information technology systems.
- 3 Transfer of £8,000 of Non Operating Appropriations in Aid from sales of vehicles from Section G to Section C

**Total change in capital for Estimate**      **-**

## Introduction (*continued*)

### Other Changes

- 1 Total net operating costs in the Forecast Operating Costs Statement now exclude £3,050,000 previously included as non-voted expenditure for the Retrospective Terms Adjustment charge on interest foregone by the Consolidated Fund on the conversion of loans to grants. The revised presentation reflects an agreement to remove this item from the Departmental Resource Account
2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £54,011,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Eliminating poverty in poorer countries</b>	<b>62,121,000</b>
<b>RfR 2: Conflict prevention</b>	<b>500,000</b>
Total additional net resource requirement	62,621,000
<b>Additional net cash requirement</b>	<b>54,011,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Eliminating poverty in poorer countries</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Reducing Poverty in sub-Saharan Africa	1,076,447	-108	-108	-	1,076,447
RfR 1 - B Reducing Poverty in Asia	748,427	23,950	-50	24,000	772,427
RfR 1 - C Reducing Poverty in the Rest of the World	195,364	24,910	-90	25,000	220,364
RfR 1 - D Improve the Effectiveness of Multilateral Aid	1,325,146	-23,990	10	-24,000	1,301,146
RfR 1 - F Programmes Contributing to Multiple Objectives	184,934	29,070	70	29,000	213,934
RfR 1 - G Central Departments	76,570	216	205	11	76,581
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - J Programmes Contributing to Multiple Objectives	61,512	8,110	-	8,110	69,622
<b>Total RfR 1</b>		<b>62,158</b>	<b>37</b>	<b>62,121</b>	
<b>RfR 2: Conflict prevention</b>					
<b>Non-budget</b>					
RfR 2 - A Africa Conflict Prevention	22,500	2,500	-	2,500	25,000
RfR 2 - B Global Conflict Prevention	17,550	2,000	-	2,000	19,550
RfR 2 - C Post Conflict Reconstruction	8,000	-4,000	-	-4,000	4,000
<b>Total RfR 2</b>		<b>500</b>	<b>-</b>	<b>500</b>	
<b>Total changes to RfRs</b>		<b>62,658</b>	<b>37</b>	<b>62,621</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	67,000	117	67,117
Non-Operating A in A	25,000	117	25,117
<b>Net cash requirement</b>	<b>3,818,763</b>	<b>54,011</b>	<b>3,872,774</b>

**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	
<b>RfR 1: Eliminating poverty in poorer countries</b>								
240,881	610,687	3,044,402	3,895,970	5,370	3,890,600	66,917	25,117	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Reducing Poverty in sub-Saharan Africa								
56,010	164,156	856,391	1,076,557	110	1,076,447	8,210	900	
B Reducing Poverty in Asia								
32,465	97,416	642,711	772,592	165	772,427	1,700	265	
C Reducing Poverty in the Rest of the World								
23,910	69,868	126,696	220,474	110	220,364	14,315	4,757	
D Improve the Effectiveness of Multilateral Aid								
14,510	85,469	1,201,277	1,301,256	110	1,301,146	16,480	18,000	
E Developing Innovative Approaches to Development								
19,000	10,649	124,229	153,878	-	153,878	-	-	
F Programmes Contributing to Multiple Objectives								
13,600	113,507	86,897	214,004	70	213,934	-	900	
G Central Departments								
81,386	-	-	81,386	4,805	76,581	26,212	15	
H Certain Beneficiaries of the Gibraltar Social Insurance Fund								
-	-	6,200	6,200	-	6,200	-	-	
I Crown Agents Loan Repayments								
-	-	-	-	-	-	-	280	
<i>Anti money laundering</i>								
-	-	-	-	-	-	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
J Programmes Contributing to Multiple Objectives								
-	69,622	-	69,622	-	69,622	-	-	
<b>Non-budget</b>								
K EU Research Grants (Net)								
-	-	1	1	-	1	-	-	
<b>RfR 2: Conflict prevention</b>								
3,000	14,270	30,780	48,050	-	48,050	200	-	
<b>Non-budget</b>								
A Africa Conflict Prevention								
-	6,750	15,750	22,500	-	22,500	-	-	
B Global Conflict Prevention								
-	7,020	10,530	17,550	-	17,550	-	-	
C Post Conflict Reconstruction								
3,000	500	4,500	8,000	-	8,000	200	-	
<b>Total for Estimate:</b>								
243,881	624,957	3,075,182	3,944,020	5,370	3,938,650	67,117	25,117	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>3,876,029</b>	<b>62,621</b>	<b>3,938,650</b>
<b>Voted capital items</b>			
Capital expenditure	67,000	117	67,117
<i>Less: non-operating A in A</i>	<u>25,000</u>	<u>117</u>	<u>25,117</u>
<b>Total net voted capital</b>	<b>42,000</b>	<b>-</b>	<b>42,000</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-115,351	-8,110	-123,461
Depreciation	-22,008	-	-22,008
New provisions and adjustments to previous provisions	-2,000	-	-2,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-250	-500	-750
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	11,444	-	11,444
Increase(-)/decrease (+) in creditors	10,000	-	10,000
Use of provisions	<u>18,899</u>	<u>-</u>	<u>18,899</u>
<b>Total accruals to cash adjustments</b>	<b>-99,266</b>	<b>-8,610</b>	<b>-107,876</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>3,818,763</b>	<b>54,011</b>	<b>3,872,774</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	2,500	<i>3,000</i>	2,500	<i>2,500</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	500	<i>5,233</i>	6,500	<i>6,500</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b>3,000</b>	<b><i>8,233</i></b>	<b>9,000</b>	<b><i>9,000</i></b>

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	235,981
RfR 2	<u>3,000</u>
<b>Total Net Administration Costs</b>	<b>238,981</b>
<b>Net Programme Costs</b>	
RfR 1	3,654,619
RFR 2	45,050
Non voted expenditure	<u>-2,500</u>
<b>Total Net Programme costs</b>	<b>3,697,169</b>
<b>Total Net Operating Cost</b>	<b>3,936,150</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>3,938,650</b>
CFERs	-2,500
Non-voted expenditure	
<b>Resource Budget Outturn</b>	<b>4,567,823</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>3,938,650</b>
<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	-2,500
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>3,936,150</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-1
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	4,674
Other adjustments	627,000
<b>Resource Budget Outturn (Budget)</b>	<b>4,567,823</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,498,201
Annually Managed Expenditure (AME)	69,622

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>42,000</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>42,000</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	42,000
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.

<b>Request for Resources 1</b>	Suma Chakrabati, Principal Accounting Officer and Permanent Head of the Department for International Development
<b>Request for Resources 2</b>	Suma Chakrabati, Principal Accounting Officer and Permanent Head of the Department for International Development

Suma Chakrabati 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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Eliminating poverty in poorer countries</b>		
Bilateral and multilateral loan repayments	-	6,697
Guarantee refunds from European Investment Bank	100	-
Rental income - Office accommodation	4,342	-
Recovery of EBRD Director's salary	100	-
Receipts from staff secondments	558	-
Crown Agents Loan repayment	-	280
Receipts from overseas governments	100	-
Sales of Fixed Assets	-	140
Other programme receipts	170	-
Loan repayments - multilateral	-	18,000
<b>Total RfR1</b>	<b>5,370 *</b>	<b>25,117 **</b>
<i>of which: Administration Budgets</i>	<i>4,900</i>	<i>-</i>

\* 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; administration receipts for: seconded officers, including recovery of the European Bank for Reconstruction and Development Executive Director's salary; recoveries from other government departments; recoveries from staff for use of official vehicles.

\*\* 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.

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Interest on loans	2,500	2,500
Other amounts collectable on behalf of the Consolidated Fund	6,500	6,500
<b>Total</b>	<b>9,000</b>	<b>9,000</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for International Development Departmental Expenditure Limit will change as follows:

	New DEL			£'000
	Change	Voted	Non-voted	Total
Resource	46,111	3,869,027	629,174	4,498,201
<i>of which : Administration Budget</i>	-	238,981	-	238,981
Capital	-	42,000	-	42,000
Depreciation*	-	-22,008	-	-22,008
<b>Total</b>	<b>46,111</b>	<b>3,889,019</b>	<b>629,174</b>	<b>4,518,193</b>

\*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	30,333



## Notes to the Estimate (*continued*)

### Contingent Liabilities

Contingent Liabilities exist as follows:

<b>Statutory Liabilities Charged to Resource Estimates</b>	<b>RfR</b>	<b>Value</b>
African Development Bank callable capital	1	£263.2m
Asian Development Bank callable capital	1	£550.2m
Caribbean Development Bank callable capital	1	£25.9m
Inter-American Bank Callable capital	1	£491.9m
Multilateral Investment Guarantee Agency callable capital	1	£39.7m
European Bank for Reconstruction and Development callable capital	1	£863.8m
Maintenance of value of capital subscriptions of regional development banks and funds	1	Unquantifiable
Liabilities of the Crown Agents Holding and Realisation Board that could not be met from assets of the Board	1	Unquantifiable
Guarantee of borrowing by CDC group from European Investment Bank	1	13.4m
International Bank for Reconstruction and Development callable capital	1	4.1m
<b>Non-Statutory Liabilities Charged to Resource Estimates</b>		
UK share of European Community member states collective guarantee of European Investment Bank lending under Lome Convention	1	334.4m
UK national guarantees for European Investment Bank lending to UK dependent territories	1	1.4m
Indemnities to University of Greenwich in respect of transfer of ownership of National Resources Institute	1	Unquantifiable
Tax indemnities to commercial banks under Aid and Trade Provision soft loan financing arrangements	1	5.3m
Guarantee to Bank of Montserrat in respect of mortgage loans for the construction of private sector housing	1	0.2m
Guarantee to the National Westminster Bank in respect of loan to Day Chocolate Company for marketing of Fair Trade chocolate bar	1	0.4m



# 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 of £169,325,000 (including associated non-voted expenditure) of which £53,767,000 is near cash and £115,558,000 is non-cash**

Programme costs RfR1: subhead F3 University Innovation Centres capital grants	2,444,000
Programme costs RfR1: subhead H3 Utilisation of Science End Year Flexibility for Advisory, Conciliation and Arbitration Service to address Department's near-cash pressures	979,000
Programme costs RfR1: subhead J3 Increase in balance sheet provisions for Enemy Property	2,055,000
Programme costs RfR1: subhead J3 Increase in balance sheet provisions for British Shipbuilders	87,000,000
Programme costs RfR1: subhead J3 Increase in Cost of Capital for Concessionary Fuel liability and associated assets	10,000,000

#### **Transfers from other government departments**

Administration costs Transfer from the Cabinet Office RfR1: subhead L1 Parliamentary Counsel Office	1,587,000
Administration costs Transfer from the Home Office RfR1: subhead L1 Commission for Equality and Human Rights transition costs	24,000
Administration costs Transfer from the Department for Constitutional Affairs RfR1: subhead L1 Commission for Equality and Human Rights transition costs	126,000

**Introduction (*continued*)**

Programme costs	305,000
Transfer from the Home Office	
RfR1: subhead H3	
Commission for Equality and Human Rights transition costs	
Programme costs	38,000
Transfer from the Department for Constitutional Affairs	
RfR1: subhead H3	
Commission for Equality and Human Rights transition costs	
Programme costs	229,000
Transfer from the Department of Work and Pensions	
RfR1: subhead H3	
Commission for Equality and Human Rights transition costs	

**Transfers from non-voted provision**

Programme costs	1,500,000
RfR1: subhead J3	
Virement of non-cash Cost of Capital credit for Nuclear Decommissioning Authority to non-voted capital expenditure	
Programme costs	14,000,000
RfR1: subhead N3	
Virement from Regional Development Agencies to London Development Agency	

**Annually Managed Expenditure**

Programme costs	240,005,000
Revised forecasts	
RfR1: subhead O2 and O3	
Revised Cost of Capital and movement in provisions forecasts for Coal Health and nuclear liabilities	

**Non Budget**

Programme costs	500,000
Revised forecast	
RfR1: subhead T3	
Regional Development Agencies Grant in Aid increased to reflect increased contributions from other Government Departments	
Programme costs	6,500,000
Revised forecast	
RfR1: subhead T3	
Regional Development Agencies Grant in Aid increased to reflect virement from Knowledge Transfer into the Single Pot for MG Rover Support package	
Programme costs	7,000,000
Revised forecast	
RfR1: subhead T3	
Regional Development Agencies Grant in Aid increased to reflect virement of part of MG Rover Support package provided in Winter Supplementary into the Single Pot	
Programme costs	167,000,000
Revised forecast	
RfR1: subhead W3	
Nuclear Decommissioning Authority Grant in Aid increased to reflect transfer from Ministry of Defence	

## Introduction (*continued*)

### Decreases:

#### Transfers to other government departments (RfR1)

Administration costs	-210,000
Transfer to the Office of the Deputy Prime Minister	
RfR1: subhead G1	
Government Offices for the Regions	
Administration costs	-100,000
Transfer to the Department of Culture, Media and Sport	
RfR1: subhead L1	
Ministry for Women	
Administration costs	-165,000
Transfer to Cabinet Office	
RfR1: subhead L1	
Equalities Review/CEHR	
Programme costs	-224,000
Transfer to Cabinet Office	
RfR1: subhead H3	
Equalities Review/CEHR	

#### Transfers to non-voted provision

Programme costs	-11,500,000
RfR1: subhead A3	
Virement of £6,500,000 near-cash and £5,000,000 noncash from Knowledge Transfer into the Regional Development Agencies Single Pot for MG Rover Support	
Programme costs	-7,000,000
RfR1: subhead E3	
Virement of part of MG Rover Support package provided in Winter Supplementary into the Regional Development Agencies Single Pot	
Programme costs	-500,000
RfR1: subhead F5	
Increased capital contributions for Regional Development Agencies from Other Government Departments	
Virement from administration to programme	-2,500,000
RfR1: subhead G1	
Utilisation of administration underspend to fund payments in respect of British Energy liabilities	
Virement from administration to programme	-26,679,000
RfR1: subhead L1	
Utilisation of administration underspend to fund payments in respect of British Energy liabilities	
Virement from noncash to nearcash within programme (within Spending Review £20,000,000 flexibility)	-11,497,000
RfR1: subhead A3	
Utilisation of noncash underspend to fund payments in respect of British Energy liabilities	

## Introduction (*continued*)

### Non Budget

Programme costs	-14,000,000
RfR1: subhead T3	
Virement from Regional Development Agencies to London Development Agency	

### Other Decreases:

Virement from capital grants to capital	-2,300,000
RfR1: subheads D3 and A7	
Virement from renewable energy to National Physical Laboratory	
Virement from capital grants to capital	-4,600,000
RfR1: subheads D3 and H7	
Virement from renewable energy to Employment Tribunals Service	
Virement from capital grants to capital	-14,162,000
RfR1: subheads D3 and L7	
Virement from renewable energy to Excellent Corporate Services	

### Neutral Changes:

Spending offset by A-in-A	
£62,000	
RfR1: subheads G1 and G5	
Increased expenditure financed by increased receipts from Other Government Departments	
Movements within the RfR	
£7,052,000	
RfR1: subheads A2 and H2	
Virement of underspends in one Function to cover overspends in another	
Movements within the RfR	
£5,091,000	
RfR1: subheads A3 and B3	
Virement of underspends in one Function to cover overspends in another	
Movements within the RfR	
£11,692,000	
RfR1: subheads A3 and E3	
Virement of underspends in one Function to cover overspends in another	
Movements within the RfR	
£22,611,000	
RfR1: subheads A3 and E3	
Virement of noncash to provide for impairment of Venture Capital Funds and Enterprise Capital Funds	
Movements within the RfR	
£100,000	
RfR1: subheads C3 and D3	

## Introduction (*continued*)

Virement of Consolidated Policy Studies budget

Movements within the RfR

£30,000

RfR1: subheads C3 and E3

Virement of underspends in one Function to cover overspends in another

Movements within the RfR

£82,000

RfR1: subheads D3 and E3

Virement of underspends in one Function to cover overspends in another

Movements within the RfR

£18,938,000

RfR1: subheads D3 and C3

Capital grant virement from renewable energy to Coal Investment Aid

Movements within the RfR

£1,010,000

RfR1: subheads E3 and F2

Virement of underspends in one Function to cover overspends in another

Movements within the RfR

£2,355,000

RfR1: subheads E3 and I2

Virement of underspends in one Function to cover overspends in another

Movements within the RfR

£103,000

RfR1: subheads E3 and K3

Virement of underspends in one Function to cover overspends in another

Movements within the RfR

£4,952,000

RfR1: subheads F3 and C3

Capital grant virement from Regional Selective Assistance to Coal Investment Aid

Movements within the RfR

£350,000

RfR1: subheads G5 and L5

Virement of administration receipts between Functions

Package of virements from cash to noncash within ring fences and from noncash to cash within nonringfence

£20,000,000

RfR1: subheads A2 and A3

Noncash to cash within Knowledge Transfer and Innovation

£10,000,000

## Introduction (*continued*)

RfR1: subheads E2 and E3  
 Cash to noncash within SFLGS/Enterprise Fund  
 £5,150,000

RfR1: subheads H2 and H3  
 Cash to noncash within Advisory, Conciliation and Arbitration Service  
 £5,150,000

RfR1: subheads A2 and A3  
 Noncash to cash within Knowledge Transfer and Innovation  
 £3,000,000

RfR1: subheads A2 and A3  
 Noncash to cash within Knowledge Transfer and Innovation offset by cash to noncash virement  
 within administration subhead L1

**Total change in resources for RfR1 445,855,000**

### **RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society**

**Take up of Resource End Year Flexibility of £115,000,000 (including associated non-voted expenditure) all of which is near cash loaned to non-Science activities to alleviate pressures on the Department's non-Science near-cash activities.**

#### **Increases:**

Programme Costs	2,474,000
Revised forecast	
RfR 2: subhead O3	
Increase for the Biotechnology and Biological Sciences Research Council to reflect changed cashflow	

Programme Costs	1,527,000
Revised forecast	
RfR2: subhead R3	
Increase for the Medical Research Council to reflect changed cashflow	

#### **Decreases:**

Programme costs	-4,000,000
RfR2: subhead L5	
Increased capital contributions for Biotechnology and Biological Sciences Research Council from Other Government Departments	

#### **Neutral Changes:**

Virement of Programme between Functions  
 £6,199,000  
 RfR2 subheads N3 and R3  
 Transfer of Grant in Aid between Research Councils

Virement of Programme between Functions  
 £5,000,000  
 RfR2 subheads O3 and P3  
 Transfer of Grant in Aid between Research Councils

Virement of Programme between Functions  
 £13,392,000  
 RfR2 subheads Q3 and T3  
 Transfer of Grant in Aid between Research Councils



**Introduction (*continued*)**

Virement of Programme between Functions  
 £3,188,000  
 RfR2 subheads R3 and U3  
 Transfer of Grant in Aid between Research Councils

Virement of Programme between Functions  
 £2,293,000  
 RfR2 subheads R3 and V3  
 Transfer of Grant in Aid between Research Councils

Virement of Programme between Functions  
 £6,308,000  
 RfR2 subheads R3 and T3  
 Transfer of Grant in Aid between Research Councils

**Total change in resources for RfR2 1,000**

**Total change in resources for Estimate 445,856,000**

**Changes in capital****Take up of End Year Flexibility**

Capital grants vired to capital costs 6,190,000  
 RfR1: subhead B8  
 Reprofiling of recovery of Ofcom loan

Capital costs  
 RfR1: subhead E5 6,000,000  
 Enterprise Capital Fund/Early Growth Fund

**Other changes**

Virement from capital grants to capital 2,300,000  
 RfR1: subheads D3 and A7  
 Virement from renewable energy to National Physical Laboratory

Virement from capital grants to capital 4,600,000  
 RfR1: subheads D3 and H7  
 Virement from renewable energy to Employment Tribunals Service

Virement from capital grants to capital 14,162,000  
 RfR1: subheads D3 and L7

Virement from renewable energy to Excellent Corporate Services

**Total change in capital for Estimate 33,252,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £357,437,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Increasing UK competitiveness</b>	<b>445,855,000</b>
<b>RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society</b>	<b>1,000</b>
Total additional net resource requirement	445,856,000
<b>Additional net cash requirement</b>	<b>357,437,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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 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; managing the Government's shareholder interest in Royal Mail, 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; 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.

## **Part I (*continued*)**

### **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 Technology 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
<b>RfR 1: Increasing UK competitiveness</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Knowledge Transfer and Innovation	391,296	-69,443	-	-69,443	321,853
RfR 1 - B Extending Competitive Markets	50,318	5,091	-	5,091	55,409
RfR 1 - C Security of Energy Supply	-6,973	23,760	-	23,760	16,787
RfR 1 - D Sustainability and the Environment	101,057	-39,982	-	-39,982	61,075
RfR 1 - E Enterprise Growth and Business Investment	184,228	30,883	-	30,883	215,111
RfR 1 - F Regional Economies	-1,192,537	-3,518	500	-4,018	-1,196,555
RfR 1 - G Trade and Investment	35,987	-2,648	412	-3,060	32,927
RfR 1 - H Maximising Potential in the Workplace	142,383	8,379	-	8,379	150,762
RfR 1 - I Corporate Activity and Insolvency Framework	52,534	-2,355	-	-2,355	50,179
RfR 1 - J Assets and Liabilities	-987,000	100,555	-	100,555	-886,445
RfR 1 - K Nuclear Security and Export Control	60,946	-103	-	-103	60,843
RfR 1 - L Activities in Support of all Objectives	321,996	-25,207	-350	-24,857	297,139
RfR 1 - N Capital Grants to the London Development Agency	1	14,000	-	14,000	14,001
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - O Assets and liabilities	116,111	240,005	-	240,005	356,116
RfR 1 - W Assets and Liabilities	6,406,910	167,000	-	167,000	6,573,910
<b>Total RfR 1</b>		<b>446,417</b>	<b>562</b>	<b>445,855</b>	

### RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society

#### Spending in Departmental Expenditure Limits (DEL)

RfR 2 - L Biotechnology and Biological Sciences Research Council	-1,000	-	4,000	-4,000	-5,000
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#### Non-budget

RfR 2 - N Arts and Humanities Research Council	75,087	-6,199	-	-6,199	68,888
RfR 2 - O Biotechnology and Biological Sciences Research Council	316,805	7,474	-	7,474	324,279
RfR 2 - P Economic and Social Research Council	260,864	-5,000	-	-5,000	255,864
RfR 2 - Q Engineering and Physical Sciences Research Council	541,129	13,392	-	13,392	554,521

**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 - R	Medical Research Council	439,855	19,515	-	19,515	459,370
RfR 2 - T	Particle Physics and Astronomy Research Council	330,000	-19,700	-	-19,700	310,300
RfR 2 - U	Council for the Central Laboratory of the Research Councils	165,188	-3,188	-	-3,188	162,000
RfR 2 - V	Council for the Central Laboratory of the Research Councils - Diamond Synchrotron	76,253	-2,293	-	-2,293	73,960
<b>Total RfR 2</b>			<b>4,001</b>	<b>4,000</b>	<b>1</b>	
<b>Total Changes to RfRs</b>			<b>450,418</b>	<b>4,562</b>	<b>445,856</b>	

		£000		
Capital and Cash		Present Provision	Change in Provision	New Provision
Total Capital Expenditure		35,056,729	27,062	35,083,791
Non-Operating A in A		34,588,993	-6,190	34,582,803
<b>Net cash requirement</b>		<b>7,786,874</b>	<b>357,437</b>	<b>8,144,311</b>

**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	
<b>RfR 1: Increasing UK competitiveness</b>								
356,513	116,410	10,391,650	10,864,573	2,905,296	7,959,277	35,083,593	34,582,655	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Knowledge Transfer and Innovation								
712	126,145	211,301	338,158	16,305	321,853	7,641	40,166	
B Extending Competitive Markets								
-	128,833	28,927	157,760	102,351	55,409	100	17,810	
C Security of Energy Supply								
-	5,276	24,731	30,007	13,220	16,787	-	-	
D Sustainability and the Environment								
-	17,725	44,060	61,785	710	61,075	-	-	
E Enterprise Growth and Business Investment								
-	138,775	92,786	231,561	16,450	215,111	32,183	-	
F Regional Economies								
-	990	57,942	58,932	1,255,487	-1,196,555	-	-	
G Trade and Investment								
33,339	-	-	33,339	412	32,927	-	-	
H Maximising Potential in the Workplace								
28,350	117,286	5,679	151,315	553	150,762	7,350	-	
I Corporate Activity and Insolvency Framework								
1,950	92,929	-	94,879	44,700	50,179	100	385	
J Assets and Liabilities								
-	38,790	139,254	178,044	1,064,489	-886,445	-	-	
K Nuclear Security and Export Control								
-	246	60,597	60,843	-	60,843	-	-	
L Activities in Support of all Objectives								
292,162	7,190	2,946	302,298	5,159	297,139	36,219	4,291	
<i>Knowledge Transfer and Innovation - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Extending Competitive Markets - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Security of Energy Supply - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Sustainability and the Environment - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Enterprise Growth and Business Investment - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<b>Support for Local Authorities</b>								
M Current Grants to the London Development Agency								
-	-	188,071	188,071	188,070	1	-	-	

**Part II: Revised subhead detail including additional provision (cont.)**

		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	
N	Capital Grants to the London Development Agency							
-	-	200,537	200,537	186,536	14,001	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
O	Assets and liabilities							
-	-557,775	913,896	356,121	5	356,116	35,000,000	34,520,000	
<i>Support for Local Authorities</i>								
P	Regional Economies							
-	-	2,147	2,147	-	2,147	-	-	
<b>Non-budget</b>								
Q	Extending Competitive Markets							
-	-	41,020	41,020	-	41,020	-	-	
R	Security of Energy Supply							
-	-	23,700	23,700	10,599	13,101	-	-	
S	Enterprise Growth and Business Development							
-	-	9,752	9,752	-	9,752	-	-	
T	Regional Economies							
-	-	1,756,088	1,756,088	250	1,755,838	-	-	
U	Maximising Potential in the Workplace							
-	-	7,914	7,914	-	7,914	-	-	
V	Corporate Activity and Insolvency Framework							
-	-	392	392	-	392	-	-	
W	Assets and Liabilities							
-	-	6,573,910	6,573,910	-	6,573,910	-	3	
X	Nuclear Security and Export Control							
-	-	6,000	6,000	-	6,000	-	-	
<b>RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society</b>								
	<b>12,810</b>	<b>33,541</b>	<b>3,098,831</b>	<b>3,145,182</b>	<b>5,067</b>	<b>3,140,115</b>	<b>198</b>	<b>148</b>
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	Research Councils' Pension Schemes							
-	18,097	-	18,097	-	18,097	-	-	
B	The Royal Society							
-	-	32,555	32,555	-	32,555	-	-	
C	Royal Academy of Engineering							
-	-	5,850	5,850	-	5,850	-	-	
D	British Academy							
-	-	14,050	14,050	-	14,050	-	-	
E	OST Initiatives							
-	-	40,907	40,907	-	40,907	-	-	

**Part II: Revised subhead detail including additional provision (cont.)**

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	Knowledge Transfer	-	-	74,118	74,118	-	74,118	-	-
G	Cambridge/Massachusetts Institute of Technology	-	-	13,300	13,300	-	13,300	-	-
H	Foresight LINK Awards	-	-	606	606	-	606	-	-
I	Science Research Investment Fund	-	-	379,160	379,160	-	379,160	-	-
J	Science and Engineering Base Administration Costs	4,860	-	-	4,860	-	4,860	63	49
K	Transdepartmental Science and Technology Group Administration Costs	7,950	-	-	7,950	-	7,950	135	99
L	Biotechnology and Biological Sciences Research Council	-	-	-	-	5,000	-5,000	-	-
	<i>Joint Infrastructure Fund</i>	-	-	-	-	-	-	-	-
	<b>Spending in Annually Managed Expenditure (AME)</b>								
	<i>Central Government spending</i>								
M	Research Councils' Pension Schemes	-	15,269	3,500	18,769	67	18,702	-	-
	<b>Non-budget</b>								
N	Arts and Humanities Research Council	-	-	68,888	68,888	-	68,888	-	-
O	Biotechnology and Biological Sciences Research Council	-	-	324,279	324,279	-	324,279	-	-
P	Economic and Social Research Council	-	-	255,864	255,864	-	255,864	-	-
Q	Engineering and Physical Sciences Research Council	-	-	554,521	554,521	-	554,521	-	-
R	Medical Research Council	-	-	459,370	459,370	-	459,370	-	-
S	Natural Environment Research Council	-	-	322,983	322,983	-	322,983	-	-
T	Particle Physics and Astronomy Research Council	-	-	310,300	310,300	-	310,300	-	-
U	Council for the Central Laboratory of the Research Councils	-	-	162,000	162,000	-	162,000	-	-
V	Council for the Central Laboratory of the Research Councils - Diamond Synchrotron	-	-	73,960	73,960	-	73,960	-	-
W	Fees Payable under the Animals (Scientific Procedures) Act 1986	-	175	-	175	-	175	-	-



**Part II: Revised subhead detail including additional provision (cont.)**

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	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
X	Joint Infrastructure Fund							
-	-	2,620	2,620	-	2,620	-	-	
<b>Total for Estimate:</b>								
369,323	149,951	13,490,481	14,009,755	2,910,363	11,099,392	35,083,791	34,582,803	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>10,653,536</b>	<b>445,856</b>	<b>11,099,392</b>
<b>Voted capital items</b>			
Capital expenditure	35,056,729	27,062	35,083,791
<i>Less: non-operating A in A</i>	<u>34,588,993</u>	<u>-6,190</u>	<u>34,582,803</u>
<b>Total net voted capital</b>	<b>467,736</b>	<b>33,252</b>	<b>500,988</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	465,408	69,959	535,367
Depreciation	-20,767	-3,000	-23,767
New provisions and adjustments to previous provisions	-5,056,547	-381,022	-5,437,569
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	<u>1,283,751</u>	<u>192,392</u>	<u>1,476,143</u>
<b>Total accruals to cash adjustments</b>	<b>-3,334,398</b>	<b>-121,671</b>	<b>-3,456,069</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>7,786,874</b>	<b>357,437</b>	<b>8,144,311</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	332,141	<i>61,438</i>	332,141	<i>61,438</i>
Non-operating income not classified as A in A	158,302	<i>158,302</i>	134,402	134,402
Other amounts collectable on behalf of the Consolidated Fund	144,782	<i>415,485</i>	144,782	<i>415,485</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<u><b>635,225</b></u>	<u><b><i>635,225</i></b></u>	<u><b>611,325</b></u>	<u><b><i>611,325</i></b></u>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	350,796	
RfR 2	<u>12,810</u>	
<b>Total Net Administration Costs</b>		<b>363,606</b>
<b>Net Programme Costs</b>		
RfR 1	7,276,340	
RfR 2	3,127,305	
National Insurance Fund	<u>223,809</u>	
<b>Total Net Programme costs</b>		<b>10,627,454</b>
<b>Total Net Operating Cost</b>		<b>10,991,060</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>11,099,392</b>
CFERs		-332,141
Non-voted expenditure		223,809
<b>Resource Budget Outturn</b>		<b>30,844,534</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>11,099,392</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	223,809
Consolidated Fund extra receipts (CFERS) in the OCS	-332,141
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>10,991,060</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-1,501
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	208,150
voted expenditure outside the budget	-4,283,100
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,200
resource consumption of non departmental public bodies	23,920,281
unallocated resource provision	3,844
Other adjustments	10,000
<b>Resource Budget Outturn (Budget)</b>	<b>30,844,534</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	6,412,160
Annually Managed Expenditure (AME)	24,432,374

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>500,988</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-134,400
capital spending by non departmental public bodies	901,348
capital grants to local authorities	1,501
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	104
Other adjustments	-250,911
<b>Capital Budget Outturn (Budget)</b>	<b>1,018,630</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	538,630
Annually Managed Expenditure (AME)	480,000

## 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 of Trade and Industry

**Request for Resources 2** Sir Brian Bender, Permanent Head of the Department of Trade and Industry

Sir Brian Bender as the Principal Accounting Officer (PAO) 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 PAO 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 Department of Trade and Industry'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	
	2005-06 Provision	Non operating
	Operating A in A	A in A
<b>RfR 1: Increasing UK competitiveness</b>		
Innovation in Support of Knowledge Transfer	4,250	-
Space	11,557	-
Office of Communications (Ofcom)	85,193	17,810
Spectrum Efficiency	7,880	-
Consumer Protection	109	-
Postwatch	9,169	-
Non-nuclear receipts of a regulatory nature (including Gas and Electricity Consumers Council)	13,220	-
Non-nuclear receipts directly related to creation of open markets	710	-
Small Firms' Loan Guarantee Scheme	8,950	-
Small Business Service, including Farm Business Advice Service	7,500	-
Receipts from ODPM for RDAs	1,117,048	-
Receipts from Department of Education and Skills for RDAs	42,500	-
Receipts from UK Trade and Investment for RDAs	15,230	-
Receipts from DEFRA for RDAs	76,859	-
Receipts from DCMS for RDAs	3,600	-
Regional Selective Assistance	250	-
External Legal Receipts	203	-
Telecommunications and posts	3,278	-
Coal Subsidence & Arbitration	77	-
Non-ring-fenced Coal Liabilities	10,034	-
Nuclear Decommissioning Authority	1,051,100	-
Administration costs	4,959	4,291
Receipts from ODPM for LDA	374,606	-
Working capital credit facility for the Royal Mail	-	34,520,000
Privatisation Receipts	-	3
Ring-fenced Coal Health Liabilities	5	-
Petroleum Licensing	10,599	-
EHLASS (European Home Leisure Accident Surveillance Survey)	250	-
UK Trade and Investment	412	-
<b>On Vote Agencies</b>		
NWML	498	-
Employment Tribunals Service	350	-
Insolvency Service	44,700	-
Other Govt Depts	200	-
<b>Trading Funds</b>		
Patent Office	-	40,166
Companies House	-	385
<b>Total RfR 1</b>	<b>2,905,296 *</b>	<b>34,582,655 **</b>

\*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

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

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.

\*\*Amount that may be applied as non-operating appropriations in aid, 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 to the aerospace industry and the Royal Mail and of loans to the trading funds and utilisation of Patent Office reserves.

	£'000	
	2005-06 Provision	
	Operating	Non
	A in A	operating
	<u>A in A</u>	<u>A in A</u>
<b>RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society</b>		
Research Councils' Pension Schemes	67	-
Co-funding of Biotechnology and Biological Sciences Research Council by Department for Environment, Food and Rural Affairs	5,000	-
Administrative Costs	-	148
<b>Total RfR 2</b>	<b>5,067 *</b>	<b>148 **</b>
*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.		
**Amount that may be applied as non-operating appropriations in aid, arising from the recovery of income from the sales of fixed assets and from sale of land.		
<b>Total A in A</b>	<b>2,910,363</b>	<b>34,582,803</b>
<i>of which: Administration budgets</i>	<i>5,019</i>	<i>-</i>

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Distribution of surpluses from coal industry pension scheme	328,000	328,000
Application fees for petroleum exploration and production licences, and initial and periodic payment (rents). Royalty on petroleum won and saved	67,000	67,000
OFCOM	555	555
OFCOM	57,297	57,297
Companies House receipts from late filing penalties	12,000	12,000
Receipts of the Coal Authority	4,200	4,200
Privatisation of the coal industry, including property clawback receipts $\Delta$	4,200	4,200
Receipt of dividend from the Patent Office Executive Agency trading fund	1,751	1,751
Receipt of dividend from the Companies House Executive Agency trading fund	1,582	1,582
Interest on loans advanced by the S of S to the Patent Office Executive Agency trading fund	204	204
Non-nuclear energy miscellaneous receipts	85	85
Interest on loans advanced by the S of S to the Companies House Executive Agency trading fund	49	49
Privatisation of electricity, including clawback receipts	2	2
Levies on sales of aero engines and airframes	134,400	134,400
<b>Total</b>	<b>611,325</b>	<b>611,325</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department of Trade and Industry Departmental Expenditure Limit will change as follows:

	New DEL			£'000
	Change	Voted	Non-voted	Total
Resource	412,078	225,473	6,186,687	6,412,160
<i>of which : Administration Budget</i>	-27,917	363,606	-	363,606
Capital	164,224	-214,422	753,052	538,630
Depreciation*	-38,101	-23,767	-136,534	-160,301
Total	538,201	-12,716	6,803,205	6,790,489

\*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	37,493,166



# Department of Trade and Industry: UKAEA pension schemes

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## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Effective management of UKAEA pension schemes**

##### **Increases:**

	Annually Managed Expenditure	
1	Programme costs RfR1: subhead B2 Revised forecast of current service cost liability	9,105,000
2	Programme costs RfR1: subhead B5 Revised forecast of income relating to transfers into the pension scheme	1,819,000

**Total change in resources for RfR1      10,924,000**

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £4,428,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

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<b>RfR 1: Effective management of UKAEA pension schemes</b>	<b>10,924,000</b>
Total additional net resource requirement	10,924,000
<b>Additional net cash requirement</b>	<b>4,428,000</b>

---

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department of Trade and Industry on:

**RfR 1: Effective management of UKAEA pension schemes**

Payment of pensions etc., to members of the United Kingdom Atomic Energy Authority pension 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
<b>RfR 1: Effective management of UKAEA pension schemes</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - B	263,521	9,105	-1,819	10,924	274,445
<b>Total RfR 1</b>		<b>9,105</b>	<b>-1,819</b>	<b>10,924</b>	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>132,120</b>	<b>4,428</b>	<b>136,548</b>

**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	
<b>RfR 1: Effective management of UKAEA pension schemes</b>								
-	635,481	-	635,481	28,974	606,507	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Payments of pensions, transfer values and repayments of contributions								
-	62	-	62	-	62	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
B Payments of pensions, transfer values and repayments of contributions								
-	303,419	-	303,419	28,974	274,445	-	-	
<b>Non-budget</b>								
C Payments of pensions, transfer values and repayments of contributions								
-	332,000	-	332,000	-	332,000	-	-	
<b>Total for Estimate:</b>								
-	635,481	-	635,481	28,974	606,507	-	-	

**Part II: Resource to cash reconciliation**

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>595,583</b>	<b>10,924</b>	<b>606,507</b>
<b>Voted capital items</b>			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
<b>Total net voted capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-626,314	-9,105	-635,419
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	162,913	2,609	165,522
<b>Total accruals to cash adjustments</b>	<b>-463,463</b>	<b>-6,496</b>	<b>-469,959</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>132,120</b>	<b>4,428</b>	<b>136,548</b>

**Part III: Extra receipts payable to the Consolidated Fund**

As in existing provision

## Forecast Combined Revenue Account

	£'000
	2005-06 provision
<b>Net programme costs, Request for Resources 1</b>	
Income	
Contributions received	22,974
Transfers in	6,000
Other income receivable	-
	<u>28,974</u>
Expenditure	
Increase in liability	106,000
Interest on scheme liability	197,419
Other expenditure	62
Change in discount rate	332,000
	<u>635,481</u>
<b>Total Net Programme costs</b>	<b><u>606,507</u></b>
<b>Total Net Operating Cost</b>	<b>606,507</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>606,507</b>
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>274,507</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>606,507</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>606,507</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-332,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>274,507</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	62
Annually Managed Expenditure (AME)	274,445

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>-</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>-</b>
<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**

Brian Bender, Permanent Head of the Department of Trade and Industry

Brian Bender, as the Principal Accounting Officer (PAO) of the Department of Trade and Industry has personal responsibility for the proper presentation of the UKAEA pension schemes' 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 United Kingdom Atomic Energy Authority's 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 UKAEA pension schemes' 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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Effective management of UKAEA pension schemes</b>		
Income from UKAEA employees' contributions	22,928	-
Income from UKAEA employers' contributions	46	-
Income from transfers in	6,000	-
<b>Total RfR 1</b>	<b>28,974 *</b>	<b>- **</b>
<i>of which: Administration budgets</i>	-	-

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts for employers' and employees' contributions and transfer values received.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the UKAEA Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-	62	-	62
<i>of which :Administration Budget</i>	-	-	-	-
Capital	-	-	-	-
Depreciation*	-	-	-	-
Total	-	62	-	62

*\*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

28,974

# 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

- |  |         |
|--|---------|
| 1. Take up of near cash EYF in Section A to fund the launch of "Codes Program" delayed from prior year | 487,000 |
|--|---------|

##### **Neutral Changes:**

- |  |   |
|--|---|
| 1. Increase of £13,000 in gross spending offset by a matching contribution from the EU towards the costs of hosting a competition and consumer day | - |
| 2. Reduction in gross provision and appropriations in aid of £295,000 in respect of rental income from minor occupiers                             | - |

<b>Total change in resources for RfR1</b>	<b>487,000</b>
---	----------------

### Changes in capital

- |  |         |
|--|---------|
| 1. Increase in capital of £750,000 to fund the introduction of the "PROMOD" IT system through take up of part of OFT's EYF entitlement | 750,000 |
|--|---------|

<b>Total change in capital for Estimate</b>	<b>750,000</b>
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2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £1,662,000
3. Symbols are explained in the Introduction to this booklet.

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**Part I**

£

**RfR 1: Advancing and safeguarding the economic interests of UK consumers** 487,000

Total additional net resource requirement 487,000

**Additional net cash requirement** 1,662,000

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 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	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Advancing and safeguarding the economic interests of UK consumers</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration	56,994	205	-282	487	57,481
<b>Total RfR 1</b>		<b>205</b>	<b>-282</b>	<b>487</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	1,398	750	2,148
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>55,401</b>	<b>1,662</b>	<b>57,063</b>

**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	
<b>RfR 1: Advancing and safeguarding the economic interests of UK consumers</b>								
55,494	2,136	-	57,630	27	57,603	2,148	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
55,494	2,014	-	57,508	27	57,481	2,148	-	
<b>Non-budget</b>								
B Refunds								
-	122	-	122	-	122	-	-	
<b>Total for Estimate:</b>								
55,494	2,136	-	57,630	27	57,603	2,148	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>57,116</b>	<b>487</b>	<b>57,603</b>
<b>Voted capital items</b>			
Capital expenditure	1,398	750	2,148
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>1,398</b>	<b>750</b>	<b>2,148</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-303	-	-303
Depreciation	-2,549	-	-2,549
New provisions and adjustments to previous provisions	-546	-	-546
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-16	-	-16
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	31	-	31
Increase(-)/decrease (+) in creditors	175	-	175
Use of provisions	<u>95</u>	<u>425</u>	<u>520</u>
<b>Total accruals to cash adjustments</b>	<b>-3,113</b>	<b>425</b>	<b>-2,688</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>55,401</b>	<b>1,662</b>	<b>57,063</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
RfR 1	<u>55,186</u>	
<b>Total Net Administration Costs</b>		<b>55,186</b>
<b>Net Programme Costs</b>		
RfR 1	<u>-3,808</u>	
<b>Total Net Programme costs</b>		<b>-3,808</b>
<b>Total Net Operating Cost</b>		<b>51,378</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>57,603</b>
CFERs		-6,225
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>57,492</b>
<hr/>		



## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>57,603</b>
<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	-6,225
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>51,378</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	11
voted expenditure outside the budget	-122
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	6,225
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>57,492</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	57,492
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>2,148</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>2,148</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,148
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**                      John Fingleton, Chief Executive Officer of OFT

John Fingleton, as the Principal Accounting Officer (PAO) of the Office of Fair Trading has personal responsibility for the proper presentation of the Office of Fair Trading'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 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 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 Office of Fair Trading's, 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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Advancing and safeguarding the economic interests of UK consumers</b>		
Pension Contributions	3	-
Receipts from European Travel	11	-
Minor Occupiers Rental Income	-	-
EU contribution to competition and consumer day	13	-
<b>Total RfR1</b>	<b>27 *</b>	<b>- **</b>
<i>of which: Administration budgets</i>	<i>3</i>	

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of legal costs, fees for common services provided to other departments and Competition Act fees and contributions from the EU.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Office of Fair Trading Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	487	57,492	-	57,492
<i>of which :Administration Budget</i>	487	55,183	-	55,183
Capital	750	2,148	-	2,148
Depreciation*	-	-2,549	-	-2,549
Total	1,237	57,091	-	57,091

\*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

27

# 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 Admin EYF</u><br>Amount: £57,000,000<br>Sections: A, B, C, and E<br>To increase admin for Animal Health and Welfare (Section A) by £9,000,000, Environment (Section B) by £17,000,000, Sustainable Farming Food and Fisheries (Section C) by £6,000,000, and Departmental Operations (Section E) by £25,000,000.  | 57,000,000  |
| (ii) <u>Take-up of DEL Programme EYF</u><br>Amount: £8,000,000<br>Section: A<br>To increase resource other current for Animal Health and Welfare (Section A) by £8,000,000.   | 8,000,000   |
| (iii) <u>Transfers from other government departments</u><br>Amount: £61,811,000<br>Sections: A, E, and F<br>To increase resource other current for Animal Health and Welfare (Section A) through a transfer from the Department of Agriculture and Rural Development for Northern Ireland of £1,500,000, Departmental Operations (Section E) through a transfer from the Cabinet Office of £311,000, and Rural Payments Agency (Section F) through a transfer from the Department of Health of £60,000,000. | 61,811,000  |
| (iv) <u>Transfers from Central Funds</u><br>Amount: £20,000,000<br>Section: B<br>To increase resource grants for Environment (Section B) by £20,000,000 through take up of funds from HM Treasury.  | 20,000,000  |
| (v) <u>Transfers from non-voted spend</u><br>Amount: £70,000,000<br>Sections: A, B, D<br>To increase resource other current for Animal Health and Welfare (Section A) by £20,000,000, for Environment (Section B) by £38,000,000, for Natural Resources and Rural Affairs (Section D) by £12,000,000 by switches from non-voted funds.  | 70,000,000  |
| (vi) <u>New Provisions and increases to existing Provisions</u><br>Amount: £189,431,000<br>Sections: I, R<br>To increase resource other current for Rural Payments Agency (Section I) by £137,231,000, Environment (Section R) by £52,200,000.  | 189,431,000 |

**Introduction (*continued*)**

- (vii) Increase in provision  
 Amount: £49,435,000 49,435,000  
 Sections: O and S  
 To increase resource grants for Rural Payments Agency (Section O) by £21,849,000, for Sustainable Farming Food and Fisheries (Section S) by £275,000. To decrease appropriations in aid for Rural Payments Agency (Section O) by £27,311,000.

**Decreases:**

- (viii) Transfers to Other Government Departments  
 Amount: £110,000 -110,000  
 Section: G  
 To decrease resource other current for Other Executive Agencies (Section G) through a transfer to the Welsh Assembly of £110,000.

- (ix) Transfers to non-voted spend  
 Amount: £75,000,000 -75,000,000  
 Sections: E and H  
 To decrease admin for Departmental Operations (Section E) by £22,000,000, resource other current for Departmental Operations (Section E) by £43,000,000, and resource grants for Environment (Section H) by £10,000,000 through transfers to non-voted spend.

- (x) Decrease in provision  
 Amount: £133,911,000 -133,911,000  
 Sections: E, I, J, K, L, P  
 To increase appropriations in aid for Animal Health and Welfare (Section P) by £5,848,000, for Sustainable Farming Food and Fisheries (Section L) by £756,000. To decrease resource other current for Rural Payments Agency (Section I) by £3,618,000, resource grants for Rural Payments Agency (Section J) by £550,000, admin for Departmental Operations (Section E) by £5,000,000. To decrease resource grants for Environment (Section K) by £35,000,000. To increase appropriations in aid for Rural Payments Agency (Section I) by £83,139,000.

**Neutral Changes:**

- (xi) Neutral changes -  
 Sections: A, B, C, D, E, F, G, I, K, Q  
 To increase admin expenditure and appropriations in aid for Animal Health and Welfare (Section A) by £416,000, Environment (Section B) by £320,000, Sustainable Farming Food and Fisheries (Section C) by £1,163,000, Natural Resources and Rural Affairs (Section D) by £2,201,000, Departmental Operations (Section E) by £8,527,000, Other Executive Agencies (Section G) by £17,154,000. To increase other current expenditure and appropriations in aid for Animal Health and Welfare (Section A) by £12,796,000, Environment (Section B) by £1,393,000, Sustainable Farming Food and Fisheries (Section C) by £3,353,000, Natural Resources and Rural Affairs (Section D) by £2,047,000, Rural Payments Agency (Section F) by £44,300,000, Rural Payments Agency (Section I) by £1,000,000. To increase resource grants and appropriations in aid for Environment (Section K) by £1,200,000, and Other Executive Agencies (Section Q) by £38,000,000.  
 To switch £28,904,000 from Environment (Section B) to Rural Payments Agency (Section F).

**Total change in resources for RfR1 246,656,000**

## Introduction (*continued*)

### Changes in capital

#### **Increases:**

- |      |   |            |
|------|---|------------|
| (i)  | <u>Take-up of DEL Capital EYF</u><br>Amount: £40,530,000<br>Sections: A, C, and D<br>To increase capital for Animal Health and Welfare (Section A) by £8,993,000, Sustainable Farming Food and Fisheries (Section C) by £7,000,000, Natural Resources and Rural Affairs (Section D) by £24,537,000. | 40,530,000 |
| (ii) | <u>Increase in provision</u><br>Amount: £5,000,000<br>Section: E<br>To increase capital for Departmental Operations (Section E) by £5,000,000.  | 5,000,000  |

#### **Neutral Changes:**

- |       |  |   |
|-------|--|---|
| (iii) | <u>Neutral changes</u><br>Sections: A, E, and F<br>To increase capital and non-operating appropriations in aid for Animal Health and Welfare (Section A) by £15,000, Departmental Operations (Section E) by £2,724,000, and Rural Payments Agency (Section F) by £8,891,000. | - |
|-------|--|---|

**Total change in capital for Estimate      45,530,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £302,133,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>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.</b>	<b>246,656,000</b>
Total additional net resource requirement	246,656,000
<b>Additional net cash requirement</b>	<b>302,133,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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
<b>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.</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Animal Health and Welfare	265,677	51,712	13,212	38,500	304,177
RfR 1 - B Environment	711,625	47,809	1,713	46,096	757,721
RfR 1 - C Sustainable Farming Food and Fisheries	105,824	10,516	4,516	6,000	111,824
RfR 1 - D Natural Resources and Rural Affairs	393,481	16,248	4,248	12,000	405,481
RfR 1 - E Departmental Operations	319,229	-36,162	8,527	-44,689	274,540
RfR 1 - F Rural Payments Agency	339,910	133,204	44,300	88,904	428,814
RfR 1 - G Other Executive Agencies	88,240	17,044	17,154	-110	88,130
RfR 1 - H Environment	156,150	-10,000	-	-10,000	146,150
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - I Rural Payments Agency	2,304,120	134,613	84,139	50,474	2,354,594
RfR 1 - J Rural Payments Agency	6,445	-550	-	-550	5,895
<b>Non-budget</b>					
RfR 1 - K Environment	662,448	-33,800	1,200	-35,000	627,448
RfR 1 - L Sustainable Farming Food and Fisheries	11,656	-	756	-756	10,900
RfR 1 - O Rural Payments Agency	158,492	21,849	-27,311	49,160	207,652
RfR 1 - P Animal Health and Welfare	-	-	5,848	-5,848	-5,848
RfR 1 - Q Other Executive Agencies	-	38,000	38,000	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - R Environment	-	52,200	-	52,200	52,200
RfR 1 - S Sustainable Food, Farming and Fisheries	-	275	-	275	275
<b>Total RfR 1</b>		<b>442,958</b>	<b>196,302</b>	<b>246,656</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	99,671	57,160	156,831
Non-Operating A in A	11,719	11,630	23,349
<b>Net cash requirement</b>	<b>5,637,160</b>	<b>302,133</b>	<b>5,939,293</b>

**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
<b>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.</b>							
454,816	4,236,342	2,422,815	7,113,973	1,167,846	5,946,127	156,831	23,349
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A	Animal Health and Welfare						
36,344	253,934	27,136	317,414	13,237	304,177	14,548	15
B	Environment						
51,217	494,159	219,656	765,032	7,311	757,721	3,584	-
C	Sustainable Farming Food and Fisheries						
41,263	77,370	205	118,838	7,014	111,824	7,000	-
D	Natural Resources and Rural Affairs						
25,511	313,412	72,814	411,737	6,256	405,481	24,537	-
E	Departmental Operations						
243,614	49,460	5,220	298,294	23,754	274,540	62,783	8,204
F	Rural Payments Agency						
-	473,614	-	473,614	44,800	428,814	17,279	15,130
G	Other Executive Agencies						
56,867	83,735	4,998	145,600	57,470	88,130	27,100	-
<i>Support for Local Authorities</i>							
H	Environment						
-	-	146,150	146,150	-	146,150	-	-
<i>Rural Payments Agency</i>							
-	-	-	-	-	-	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>							
<i>Central government spending</i>							
I	Rural Payments Agency						
-	2,438,183	550	2,438,733	84,139	2,354,594	-	-
<i>Support for Local Authorities</i>							
J	Rural Payments Agency						
-	-	5,895	5,895	-	5,895	-	-
<b>Non-budget</b>							
K	Environment						
-	-	628,648	628,648	1,200	627,448	-	-
L	Sustainable Farming Food and Fisheries						
-	-	11,656	11,656	756	10,900	-	-
M	Natural Resources and Rural Affairs						
-	-	151,275	151,275	-	151,275	-	-

**Part II: Revised subhead detail including additional provision (cont.)**

		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	
N	Departmental Operations	-	24,899	24,899	-	24,899	-	-
O	Rural Payments Agency	-	1,085,713	1,085,713	878,061	207,652	-	-
P	Animal Health and Welfare	-	-	-	5,848	-5,848	-	-
Q	Other Executive Agencies	-	38,000	38,000	38,000	-	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
R	Environment	-	52,200	52,200	-	52,200	-	-
S	Sustainable Food, Farming and Fisheries	-	275	275	-	275	-	-
<b>Total for Estimate:</b>								
	<b>454,816</b>	<b>4,236,342</b>	<b>2,422,815</b>	<b>7,113,973</b>	<b>1,167,846</b>	<b>5,946,127</b>	<b>156,831</b>	<b>23,349</b>

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<b>£'000</b>
			<u>Revised</u>
<b>Net total Resources</b>	<b>5,699,471</b>	<b>246,656</b>	<b>5,946,127</b>
<b>Voted capital items</b>			
Capital expenditure	99,671	57,160	156,831
<i>Less: non-operating A in A</i>	<u>11,719</u>	<u>11,630</u>	<u>23,349</u>
<b>Total net voted capital</b>	<b>87,952</b>	<b>45,530</b>	<b>133,482</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-45,379	20,000	-25,379
Depreciation	-107,771	65,000	-42,771
New provisions and adjustments to previous provisions	-	-189,431	-189,431
Profit/loss on sale of assets	2,651	-	2,651
Prior period adjustments	-	-	-
Other non-cash items	-75	-	-75
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	429	-	429
Increase(-)/decrease (+) in creditors	-117	-	-117
Use of provisions	<u>-</u>	<u>114,378</u>	<u>114,378</u>
<b>Total accruals to cash adjustments</b>	<b>-150,262</b>	<b>9,947</b>	<b>-140,315</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjustment to remove token increase in cash</b>	<b>-1</b>	<b>-</b>	<b>-1</b>
<b>Net cash requirement</b>	<b>5,637,160</b>	<b>302,133</b>	<b>5,939,293</b>

## 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 are payable to the Consolidated Fund (cash receipts being shown in italics):

	<u>Present provision</u>		<u>New provision</u>	
	<b>Income</b>	<i>Receipts</i>	<b>Income</b>	<i>Receipts</i>
Operating income not classified as A in A	2,581,246	<i>2,562,251</i>	2,610,563	<i>2,591,568</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	-	-	-	-
<b>Total</b>	<u>2,581,246</u>	<u><i>2,562,251</i></u>	<u>2,610,563</u>	<u><i>2,591,568</i></u>

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	<u>372,375</u>
<b>Total Net Administration Costs</b>	<b>372,375</b>
<b>Net Programme Costs</b>	
RfR 1	<u>2,963,189</u>
<b>Total Net Programme costs</b>	<b>2,963,189</b>
<b>Total Net Operating Cost</b>	<b>3,335,564</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>5,946,127</b>
CFERs	-2,610,563
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>5,657,436</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>5,946,127</b>
<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	-2,610,563
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>3,335,564</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-117,820
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	924,015
voted expenditure outside the budget	-1,123,713
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,610,563
resource consumption of non departmental public bodies	28,827
unallocated resource provision	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>5,657,436</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	3,172,902
Annually Managed Expenditure (AME)	2,484,534

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>133,482</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	2,651
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	109,461
capital grants to local authorities	117,820
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	22,212
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>385,626</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	384,230
Annually Managed Expenditure (AME)	1,396

## 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.

<b>Request for Resources 1</b>	Helen Ghosh, Principal Accounting Officer and Permanent Head of Department
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Helen Ghosh as the Principal Accounting Officer (PAO) and Permanent Head of the Department for Environment, Food and Rural Affairs has personal responsibility for the proper presentation of the Department for Environment, Food and Rural Affairs' 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 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 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 of Environment, Food and Rural Affairs' 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	
	2005-06 Provision	
	Operating A in A	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.		
EU funding	922,665	-
Fees and charges to external customers	82,441	-
Other programme income	162,740	-
Sale of land, buildings and vehicles	-	23,349
<b>Total RfR 1</b>	<b>1,167,846 *</b>	<b>23,349 **</b>
<i>of which: Administration budgets</i>	<i>82,441</i>	<i>-</i>

\*Amount that may be applied as 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.

\*\*Amount that may be applied as non-operating appropriations in aid arising from the sale of surplus land, buildings and vehicles.



## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund extra receipts

	2005-06 provision		£'000
	Income	Receipts	
Sugar and isoglucose production and storage levies ●	42,443	-	
Forfeited securities ●	2,426	-	
Administration ●	50	-	
Single Payment CAP scheme	2,565,644	2,591,568	
<b>Total</b>	<b>2,610,563</b>	<b>2,591,568</b>	

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Environment, Food and Rural Affairs Departmental Expenditure Limit will change as follows:

Resource	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	141,701	2,400,367	772,535	3,172,902
<i>of which : Administration Budget</i>	<i>30,311</i>	<i>372,375</i>	<i>-</i>	<i>372,375</i>
Capital	45,530	253,953	130,277	384,230
Depreciation*	-	-42,771	-162,311	-205,082
Total	187,231	2,611,549	740,501	3,352,050

\*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  
1,191,195

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:

Sections	Service	£'000
A-D	Payments for Committees and Tribunals	58
	Funding to establish The Association of Commons Registration Officers	25

### Grant in Aid to Non-Departmental Public Bodies in excess of £1 million

	£'000
Countryside Agency ♥	70,000
English Nature ♥	78,004
Environment Agency ♥	625,348
Food From Britain ♥	6,874
Royal Botanic Gardens, Kew ♥	24,899
National Forest Company ♠	3,271
Consumer Council for Water ♥	3,300
Gangmasters Licensing Authority ♥	4,362



# Office of Water Services

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Regulation of the Water Industry**

#### **Neutral changes:**

##### **Increased spending offset by income**

Ofwat will incur £400k of additional expenditure as a result of Competition Act 98 legal costs and organisational change arising from the creation of the Water Services Regulation Authority. This expenditure will be funded by additional licence fee income received from water and sewerage companies.

1,000

In addition adjustment is required to Ofwat income and expenditure budgets to recognise the provision by Ofwat of a range of support services to the newly formed Consumer Council for Water. The value of the services provided is £300k, which will be funded by matching income under appropriations in aid. This is a presentational change to record gross income and expenditure separately. Provision for this expenditure has already been included in the 2005-06 budget for the Consumer Council for Water.

**Total change in resources for RfR1** **1,000**

### Changes in capital

An increase planned in capital expenditure from £300k to £400k, representing an investment in computer hardware and related equipment

100,000

**Total change in capital for Estimate** **100,000**

2. The net cash requirement remains unchanged at £507,000
3. Symbols are explained in the Introduction to this booklet.

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**Part I**

£

<b>RfR 1: Regulation of the Water Industry</b>	<b>1,000</b>
Total additional net resource requirement	1,000
<b>Additional net cash requirement</b>	<b>-</b>

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office of Water Services on:

**RfR 1: Regulation of the Water Industry**

Administrative and operational costs and the provision of customer representation and associated non-cash items

The **Office of Water Services** 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
<b>RfR 1: Regulation of the Water Industry</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Office of Water Services	2	700	699	1	3
<b>Total RfR 1</b>		<b>700</b>	<b>699</b>	<b>1</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	300	100	400
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>507</b>	<b>-</b>	<b>507</b>

**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	
<b>RfR 1: Regulation of the Water Industry</b>								
12,101	-	-	12,101	12,098	3	400	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Office of Water Services								
12,101	-	-	12,101	12,098	3	400	-	
<b>Total for Estimate:</b>								
12,101	-	-	12,101	12,098	3	400	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>2</b>	<b>1</b>	<b>3</b>
<b>Voted capital items</b>			
Capital expenditure	300	100	400
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>300</b>	<b>100</b>	<b>400</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	45	-	45
Depreciation	-447	-	-447
New provisions and adjustments to previous provisions	-140	-	-140
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	680	-100	580
Use of provisions	<u>100</u>	<u>-</u>	<u>100</u>
<b>Total accruals to cash adjustments</b>	<b>206</b>	<b>-100</b>	<b>106</b>
<b>Adjustment to remove token increase in cash</b>	<b>-1</b>	<b>-1</b>	<b>-2</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>507</b>	<b>-</b>	<b>507</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	<u>3</u>
<b>Total Net Administration Costs</b>	<b>3</b>
<b>Net Programme Costs</b>	
RfR 1	<u>-</u>
<b>Total Net Programme costs</b>	<b>-</b>
<b>Total Net Operating Cost</b>	<b>3</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>3</b>
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>3</b>



## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>3</b>
<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	
<b>Net Operating Costs (Accounts)</b>	<b>3</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>3</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	3
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>400</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>400</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	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.

<b>Request for Resources 1</b>	Philip Fletcher, Director General
--------------------------------	-----------------------------------

Philip Fletcher, as the Principal Accounting Officer (PAO) of the Office of Water Services has personal responsibility for the proper presentation of the Office of Water Service'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 Office of Water Services.

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 Office of Water Service'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Regulation of the Water Industry</b>		
Licence fees	12,098	-
<b>Total RfR 1</b>	<b>12,098</b> *	-
<i>of which: Administration budgets</i>	-	-

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from the receipt of licence fees.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Office of Water Services Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-	3	-	3
<i>of which :Administration Budget</i>	-	-1	-	-1
Capital	-	400	-	400
Depreciation*	-	-447	-	-447
Total	-	-44	-	-44

\*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

12,098

# 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:**

##### **Take up of End Year Flexibility**

1. Capital Modernisation Fund carryforward for Listed Places of Worship	3,000,000
---	-----------

##### **Transfers from Other Government Departments**

1. From Cabinet Office to I1 for funding of the Parliamentary Council	148,000
--	---------

2. From DTI to I1 in respect of the Women & Equality Unit	100,000
--	---------

3. From ODPM To M3 for 2012 Olympic costs	6,000,000
--	-----------

##### **Neutral Changes:**

##### **Increased spending offset by income**

- |   |  |
|---|--|
| 1. £4,250,000<br>D3 and D5 Architecture and Historic Environment, increase in gross spending offset by increased income from the early release of office leases |  |
| 2. £3,737,000<br>F2 and F5 Royal Parks, increase in gross spending offset by increased income   |  |
| 3. £550,000<br>I1 and I5 Increase in administration costs offset by an increase in receipts following a rate rebate   |  |
| 4. £110,000<br>I1 and I5 increase in administration costs offset by an increase in administration receipts  |  |
| 5. £4,000<br>I1 and I5 increase in administration costs offset by an increase in administration receipts  |  |
| 6. £11,000<br>I1 and I5 increase in administration costs offset by an increase in administration receipts from the RPA  |  |

## Introduction (*continued*)

7. £1,120,000  
J5 and U3 increase in lottery receipts offset by and increase in non budget Grant in Aid for the Lottery Commission

### Transfers within the RfR

1. £69,000 from I1 to C3 for CCDP Management costs
2. £150,000 from G2 to I1 for administration on tourism and publicity
3. £1,200,000 from P3 to T3 for the UK film council
4. £500,000 from I2 to I1 for Olympic administration costs.

### **Decreases:**

- |    |  |            |
|----|--|------------|
| 1. | From R3 surrendered to The NDPB Reform Pot   | -328,000   |
| 2. | From Voted Resource DEL to Non-Voted Resource DEL to meet the shortfall in the resource consequences of Grant in Aid funding | -3,923,000 |

**Total change in resources for RfR1      4,997,000**

### Changes in capital

#### Take up of End Year Flexibility

- |    |                            |           |
|----|----------------------------|-----------|
| 1. | For Capital administration | 1,200,000 |
|----|----------------------------|-----------|

#### Increased spending offset by income

1. £911,000  
F7 and F8 Royal Parks, increased capital spending offset by increased capital receipts

**Total change in capital for Estimate      1,200,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £6,197,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>	<b>4,997,000</b>
Total additional net resource requirement	4,997,000
<b>Additional net cash requirement</b>	<b>6,197,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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, 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; the Queen's Golden Jubilee; 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

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - C Sport	16,485	-3,854	-	-3,854	12,631
RfR 1 - D Architecture and the Historic Environment	8,128	4,250	4,250	-	8,128
RfR 1 - E Listed places of worship scheme	12,250	3,000	-	3,000	15,250
RfR 1 - F The Royal Parks	26,792	3,737	3,737	-	26,792
RfR 1 - G Tourism	2,113	-150	-	-150	1,963
RfR 1 - I Administration, Research and other surveys	52,580	1,004	675	329	52,909
RfR 1 - J National Lottery Commission	-6,441	-	1,120	-1,120	-7,561
RfR 1 - M Olympics	34,300	6,000	-	6,000	40,300
<b>Non-budget</b>					
RfR 1 - P Arts	409,505	-1,200	-	-1,200	408,305
RfR 1 - R Architecture and the Historic Environment	168,625	-328	-	-328	168,297
RfR 1 - T Broadcasting and media	30,460	1,200	-	1,200	31,660
RfR 1 - U National Lottery Commission	6,442	1,120	-	1,120	7,562
<b>Total RfR 1</b>		<b>14,779</b>	<b>9,782</b>	<b>4,997</b>	766,236

	£'000		
	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	13,549	2,111	15,660
Non-Operating A in A	3,020	911	3,931
<b>Net cash requirement</b>	<b>4,170,370</b>	<b>6,197</b>	<b>4,176,567</b>



**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	
<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>								
52,662	137,698	1,353,886	1,544,246	30,900	1,513,346	15,660	3,931	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Museums, galleries and libraries								
-	1,682	-	1,682	515	1,167	-	-	
B Arts								
-	1,377	-	1,377	2	1,375	200	-	
C Sport								
-	500	12,131	12,631	-	12,631	-	-	
D Architecture and the Historic Environment								
-	1,109	11,470	12,579	4,451	8,128	860	3,020	
E Listed places of worship scheme								
-	250	15,000	15,250	-	15,250	-	-	
F The Royal Parks								
-	34,385	-	34,385	7,593	26,792	1,961	911	
G Tourism								
-	63	1,900	1,963	-	1,963	862	-	
H Broadcasting and media								
-	93,779	733	94,512	-	94,512	-	-	
I Administration, Research and other surveys								
52,662	3,552	-	56,214	3,305	52,909	7,277	-	
J National Lottery Commission								
-	-	-	-	7,561	-7,561	-	-	
K Gambling, licensing and horseracing								
-	-	-	-	2,381	-2,381	-	-	
L Queen's Golden Jubilee								
-	1	-	1	-	1	-	-	
M Olympics								
-	-	45,392	45,392	5,092	40,300	-	-	
<b>Non-budget</b>								
N Regional Cultural Consortiums								
-	-	1,810	1,810	-	1,810	-	-	
O Museums, galleries and libraries								
-	-	447,597	447,597	-	447,597	-	-	
P Arts								
-	-	408,305	408,305	-	408,305	-	-	
Q Sport								
-	-	137,397	137,397	-	137,397	-	-	

**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	Architecture and the Historic Environment							
-	-	168,297	168,297	-	168,297	-	-	
S	Tourism							
-	-	52,500	52,500	-	52,500	-	-	
T	Broadcasting and media							
-	-	31,660	31,660	-	31,660	-	-	
U	National Lottery Commission							
-	-	7,562	7,562	-	7,562	-	-	
V	Gambling, licensing and horseracing							
-	-	12,132	12,132	-	12,132	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
W	Culture On Line							
-	1,000	-	1,000	-	1,000	4,500	-	
<b>RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting</b>								
-	-	2,660,000	2,660,000	-	2,660,000	-	-	
<b>Non-budget</b>								
A	Home broadcasting							
-	-	2,660,000	2,660,000	-	2,660,000	-	-	
<b>Total for Estimate:</b>								
52,662	137,698	4,013,886	4,204,246	30,900	4,173,346	15,660	3,931	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>4,168,349</b>	<b>4,997</b>	<b>4,173,346</b>
<b>Voted capital items</b>			
Capital expenditure	13,549	2,111	15,660
<i>Less:</i> non-operating A in A	<u>3,020</u>	<u>911</u>	<u>3,931</u>
<b>Total net voted capital</b>	<b>10,529</b>	<b>1,200</b>	<b>11,729</b>
<b>Accruals to cash adjustment</b>			
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	10	-	10
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>
<b>Total accruals to cash adjustments</b>	<b>-8,508</b>	<b>-</b>	<b>-8,508</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>4,170,370</b>	<b>6,197</b>	<b>4,176,567</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR1	49,799	
RfR2	-	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>49,799</b>
<b>Net Programme Costs</b>		
RfR1	1,463,547	
RfR2	-160	
	<hr/>	
<b>Total Net Programme costs</b>		<b>1,463,387</b>
<b>Total Net Operating Cost</b>		<b>1,513,186</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>4,173,346</b>
CFERs		-2,660,160
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>2,823,889</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>4,173,346</b>
<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	-2,660,160
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>1,513,186</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-71,000
capital grants financed from the Capital Modernisation Fund	-15,000
European Union income and related adjustments	31,000
voted expenditure outside the budget	-2,660,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,660,160
resource consumption of non departmental public bodies	102,359
unallocated resource provision	5,521
Other adjustments	1,257,663
<b>Resource Budget Outturn (Budget)</b>	<b>2,823,889</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,566,226
Annually Managed Expenditure (AME)	1,257,663

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>11,729</b>
<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	87,007
capital grants to local authorities	71,000
capital grants financed by the Capital Modernisation Fund	15,000
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	300
Other adjustments	452,337
<b>Capital Budget Outturn (Budget)</b>	<b>637,383</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	185,046
Annually Managed Expenditure (AME)	452,337

## 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.

<b>Request for Resources 1</b>	Sue Street, Principal Accounting Officer and Permanent Head of the Department
<b>Request for Resources 2</b>	Sue Street, Principal Accounting Officer and Permanent Head of the Department

Sue Street as the Principal Accounting Officer (PAO) 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 PAO as the permanent head, in addition to the responsibilities for the assigned RfR, 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 Department for Culture, Media and Sport'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Improving the quality of life through cultural and sporting activities</b>		
Income from fees and charges	3,856	-
Income from licences	2,381	-
Income from other sales	203	3,020
Recovery of costs	20,210	911
Early release of leases	4,250	-
<b>Total RfR1</b>	<b>30,900 *</b>	<b>3,931 **</b>

*of which: Administration Budgets*

- -

\* Amount that may be applied as 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 ODPM for local PSA administration costs; 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.

\*\* Amount that may be applied as non-operating appropriations in aid arising from receipts from the sale of buildings.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Culture, Media and Sport Departmental Expenditure Limit will change as follows:

Resource	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	8,248	191,086	1,375,140	1,566,226
<i>of which :Administration Budget</i>	829	49,799	-	49,799
Capital	14,200	97,739	87,307	185,046
Depreciation*	-	-5,942	-92,613	-98,555
Total	22,448	282,883	1,369,834	1,652,717

\*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

34,831

### Expenditure resting on the sole authority of the Appropriation Act

The following subheads in RfR 1 contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

Subhead	Service		£'000
C3	Chess	■	60
D3	Chatham Historic Dockyard Trust	■	300
L3	Queen's Golden Jubilee	■	1
O3	Geffrye Museum	■	1,431
O3	Horinman Museum and Gardens	■	3,682
O3	Museum of Science and Industry in Manchester	■	3,740
O3	Museums, Libraries and Archives Council	■	14,114
P3	Arts Council of England	■	409,505
T3	UK Film Council	■	26,860



# Department for Work and Pensions

## Introduction

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

Amount £

### **RfR 1: Ensuring the best start for all children and ending child poverty in 20 years**

#### **Increases:**

#### Take up of End Year Flexibility

- |    |   |  |           |
|----|---|--|-----------|
| 1. | Other Current                                   |  | 4,000,000 |
|    | Section A                                       |  |           |
|    | Additional spending by the Child Support Agency |  |           |

#### Transfers from non-voted spending

- |    |   |  |            |
|----|---|--|------------|
| 1. | Administration  |  | 64,564,000 |
|    | Section A   |  |            |
|    | A drawdown from the Welfare Modernisation Fund for additional expenditure by the Child Support Agency |  |            |

#### Other increases

- |    |   |  |        |
|----|---|--|--------|
| 1. | Administration  |  | 18,000 |
|    | Section A   |  |        |
|    | A transfer from RfR5 due to the redistribution of the budget following the sale of Ranmoor Hall accommodation |  |        |

#### **Neutral Changes:**

#### Changes within the RfR

#### Changes in spending offset by changes in income

- |    |   |  |        |
|----|---|--|--------|
| 1. | Administration  |  | -4,000 |
|    | Section A   |  | 4,000  |
|    | An increase in forecast appropriations in aid leading to an equivalent increase in administration expenditure |  |        |

**Total change in resources for RfR1      68,582,000**

### **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. | Other Current and Grants   |  | 96,451,000 |
|    | Sections A B and C   |  |            |
|    | Additional expenditure by Jobcentre Plus (£50,688,000), Employment Programmes (£37,000,000) and the Health and Safety Executive (£8,763,000) |  |            |
| 2. | Grants   |  | 14,549,000 |
|    | Section K  |  |            |
|    | Additional expenditure on Housing Benefit programmes   |  |            |

Transfers from non-voted spending

1.	Other Current Section B Transfer of Commission for Equality and Human Rights funding from the Disability Rights Commission to Work, Welfare and Equality Group	200,000
2.	Administration Section A A drawdown from the Welfare Modernisation Fund for additional expenditure by Jobcentre Plus	70,000,000
3.	Administration Section A A drawdown from the Employment Development Fund for additional expenditure by Jobcentre Plus	285,000,000

Other increases

1.	Administration Section A A transfer of staff from RfR5 to Children and Housing Analysis Division	263,000
2.	Administration Section A A transfer of Centre for Economic Policy Research (CEHR) subscription from RfR5	16,000
3.	Administration Section A A transfer of Medical Appeal Tribunal work from RfR4 to Jobcentre Plus	841,000
4.	Administration Section A A transfer from RfR5 due to the redistribution of the budget following the sale of Ranmoor Hall accommodation	226,000
5.	Administration Section A A transfer of funding for a transfer of staff from RfR5 to Benefit Reform Division	63,000
6.	Administration Section A A transfer from RfR5 HR Directorate in respect of the replacement of the Legal Services contract	323,000
7.	Other current Section A A revised calculation of the amount due from the National Insurance Fund leading to a decrease in appropriations in aid and an equivalent decrease in non-voted DEL	254,725,000
8.	Other current Section B A transfer from RfR4 to correct a misposting in the Winter Supplementary Estimate	400,000
9.	Annually Managed Expenditure Section S Revised forecast of expenditure on Jobseekers Allowance (income based)	170,000,000
10.	Annually Managed Expenditure Section P Revised forecast of expenditure on Severe Disablement Allowance	40,000,000

11. Annually Managed Expenditure Section Y Revised forecast of expenditure on Council Tax Benefit (£70,000,000) and Rent Allowance (£80,000,000)	150,000,000
12. Annually Managed Expenditure Section Z Revised forecast of expenditure on Rent Rebates	150,000,000
13. Non-budget Section AB Revised forecast of expenditure on Statutory Sick Pay and Statutory Maternity Pay	10,000,000

**Decreases:**Transfer to other Government Department

1. Other Current Section A A transfer to Department of Trade and Industry in respect of the transition costs of the Commission for Equality and Human Rights	-229,000
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Other decreases

1. Administration Section A A transfer of staff from Information Directorate to RfR5	-27,000
2. Administration Section A A transfer of responsibility for data sharing work to RfR5	-33,000
3. Administration Section A A transfer to RfR5 in respect of recruitment work	-881,000
4. Administration Section A A transfer to RfR5 due to the move of the Matching, Intelligence and Data Analysis Services	-9,348,000
5. Administration Section A A transfer of responsibility for recovery of Social Fund Funeral Payments to RfR5	-71,000
6. Administration Section A A transfer of estates funding to RfR3 (The Pensions Service) due to a delay in a transfer of accommodation	-57,000
7. Administration Section A A transfer of funding from RfR2 to RfR3 (The Pensions Service) to reflect revised spending plans	-145,000,000
8. Other Current Section A A transfer of funding to capital to reflect revised spending plans	-62,000,000

**Neutral Changes:**Changes within the RfR

1.	Other current	-1,681,000
	Sections B and C	1,681,000
	A transfer from Jobcentre Plus to the Health and Safety Executive	
2.	Other current	-36,000
	Sections B and C	36,000
	A transfer from the Work, Welfare & Equality Client Group to the Health and Safety Executive	
3.	Administration	-234,000
	Sections A and C	234,000
	A transfer from the Work, Welfare & Equality Client Group to the Health and Safety Executive for EU Presidency funding for the Occupational Health and Safety Conference	
4.	Administration	-40,000
	Sections A and C	40,000
	A transfer from Work, Welfare & Equality Client Group to the Health and Safety Executive for EU Presidency funding for the Occupational Health and Safety Conference for the Senior Labour Inspectors Committee	
5.	Grants	-49,322,000
	Sections G, H, N and O	77,463,000
	A reallocation of European Social Fund funding from Section G (£49,322,000), Section N (£7,358,000) and Section O (£20,783,000) to Section H (£77,463,000) to more accurately reflect spending plans	
		-7,358,000
		-20,783,000
6.	Administration	-4,022,000
	Sections A and C	4,022,000
	A transfer of provision from Section A (Jobcentre Plus) to Section C (Health and Safety Executive) to more accurately reflect spending plans	
7.	Administration and Other Current	-30,000,000
	Section A	30,000,000
	A transfer of provision within Jobcentre Plus from administration to other current to more accurately reflect spending plans	
8.	Administration and Other Current	-39,000,000
	Section A	39,000,000
	A transfer of provision within Jobcentre Plus from administration to other current to more accurately reflect spending plans	
9.	Grants	-23,464,000
	Sections J, K and L	28,464,000
	A transfer of provision from Section J (£23,464,000) and Section L (£5,000,000) to Section K (£28,464,000) to more properly reflect spending plans	
		-5,000,000
10.	Administration	2,993,000
	Sections A and B	-2,993,000
	A transfer due to the closure of the New Deal administration line	

Changes in spending offset by changes in income

1.	Administration and Other Current	-637,000
	Section C	450,000
	An increase in appropriations in aid leading to an increase of £450,000 (administration) and £187,000 (other current)	187,000

2.	Administration and Other Current Section D An increase in appropriations in aid leading to an increase of £2,342,000 (administration) and a decrease of £571,000 (other current)	-1,771,000 2,342,000 -571,000
3.	Administration and Other Current Section A A decrease in forecast appropriations in aid of £19,040,000 leading to an equivalent decrease in administration expenditure of £22,800,000 and an increase in other current of £217,000 and grants of £3,543,000	19,040,000 -19,040,000
4.	Other Current Section B An increase in forecast appropriations in aid of £23,315,000 leading to an equivalent increase in other current expenditure	23,315,000 -23,315,000
5.	Grants Section K A decrease in forecast appropriations in aid of £5,000 leading to an equivalent decrease in grants expenditure	5,000 -5,000
<b>Total change in resources for RfR2</b>		<b>1,025,411,000</b>

**RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners**

**Increases:**

Take up of End Year Flexibility

1.	Other Current Section A Additional expenditure by The Pensions Service	3,000,000
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Transfers from non-voted spending

1.	Administration Section A A drawdown from the Welfare Modernisation Fund for additional expenditure by The Pensions Service	26,000,000
2.	Other Current Section A A transfer of provision from non-voted for the Financial Assistance Scheme	17,000,000

Other increases

1.	Administration Section A A transfer from RfR5 in respect of a movement of staff from Information Analysis Directorate to Pensions Analysis Directorate	579,000
2.	Administration Section A A transfer from RfR5 due to the redistribution of the budget following the sale of Ranmoor Hall accommodation	11,000

3.	Grants Section A An increase in Pensions Ombudsman funding within Pensions Client Group due to a transfer of reporting responsibility from RfR5	225,000
4.	Administration Section A A transfer of estates funding from RfR3 (The Pensions Service) due to a delay in transfer of accommodation	57,000
5.	Non-budget Section E Revised forecast of expenditure on Winter Fuel payments	20,000,000
6.	Non-budget Section E Revised forecast of expenditure on Cold Weather payments	30,000,000
7.	Administration Section A A transfer from RfR 2 to the Pensions Service to reflect revised spending plans	145,000,000
8.	Annually Managed Expenditure Section C Revised forecast of expenditure on Age-related payments	100,000,000
9.	Other current Section A A revised estimate of appropriations in aid for Pension Protection Fund and the Pensions Regulator leading to an overall increase in Section A other current which is offset by a decrease in non-voted spending	3,825,000

**Decreases:**Other decreases

1.	Administration Section A A transfer to RfR5 in respect of a transfer of accommodation	-67,000
2.	Other current Section A A revised calculation of the amount due from the National Insurance Fund leading to an increase in appropriations in aid and an equivalent increase in non-voted DEL	-201,665,000
3.	Grants Section F An adjustment to grants in aid to take account of revised spending plans	-11,872,000

**Neutral Changes:**Changes in spending offset by changes in income

1.	Administration and Other Current Section A An increase in forecast appropriations in aid of £293,000 leading to an increase in expenditure of £70,000 (administration) and £223,000 (other current)	293,000 -293,000
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2.	Other Current	4,200,000
	Section A	-4,200,000
	An increase in forecast appropriations in aid leading to an equivalent increase in other current	
<b>Total change in resources for RfR3</b>		<b>132,093,000</b>

**RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society**

Take up of End Year Flexibility

1.	Other Current	2,000,000
	Section A	
	Additional expenditure by the Disability and Carers Service Agency	

Transfers from Non-voted spending

1.	Administration	18,000,000
	Section A	
	A drawdown from the Welfare Modernisation Fund for additional expenditure by the Disability and Carers Service Agency	

Other increases

1.	Administration	6,000
	Section A	
	A transfer from RfR5 due to the redistribution of the budget following the sale of Ranmoor Hall accommodation	

**Decreases:**

Other decreases

1.	Administration	-841,000
	Section A	
	A transfer of Medical Appeal Tribunal work to RfR2 (Jobcentre Plus)	
2.	Grants	-200,000
	Section H	
	Transfer of Commission for Equality and Human Rights funding from Disability Rights Commission Grant in Aid to Work, Welfare and Equality Group	
3.	Grants	-400,000
	Section B	
	A transfer to RfR2 to correct a misposting in the Winter Supplementary Estimate	
4.	Grants	-19,000
	Section H	
	A reduction in the Disability Rights Commission grant in aid to bring it in line with spending plans	

**Neutral Changes:**

Changes within the RfR

1.	Grants	100,000
	Sections B and H	-100,000
	A transfer from Disability Rights Commission grant in aid to Motability due to a reallocation of resources	

2.	Grants	-722,000
	Sections A and H	722,000
	A transfer from Disability Client Group to Disability Rights Commission grant in aid in respect of appropriations in aid received	

Changes in spending offset by changes in income

1.	Administration and Other Current	-692,000
	Section A	663,000
	An increase in forecast appropriations in aid of £692,000 leading to an increase of £663,000 (administration) and an increase of £29,000 (other current)	29,000
2.	Grants	160,000
	Section B	-160,000
	An increase in forecast appropriations in aid of £160,000 leading to an equivalent increase in expenditure	
<b>Total change in resources for RfR4</b>		<b>18,546,000</b>

**RfR 5: Corporate contracts and support services**

Transfers from other Government Departments

1.	Administration	387,000
	Section A	
	A transfer of funds from Cabinet Office for the transfer of the functions of the Parliamentary Counsel Office	

Other increases

1.	Administration	67,000
	Section A	
	A transfer from RfR3 in respect of a transfer of accommodation	
2.	Administration	27,000
	Section A	
	A transfer of staff from RfR2 to Information Directorate	
3.	Administration	33,000
	Section A	
	A transfer of responsibility for data sharing work from RfR2	
4.	Administration	881,000
	Section A	
	A transfer from RfR2 in respect of recruitment work	
5.	Administration	9,348,000
	Section A	
	A transfer due to the move of the Matching, Intelligence and Data Analysis Services from RfR2	
6.	Administration	71,000
	Section A	
	A transfer of responsibility for recovery of Social Fund Funeral Payments from RfR2	



**Decreases:**Other decreases

1.	Administration Section A A transfer of staff to RfR2 Children and Housing Analysis Division	-263,000
2.	Administration Section A A transfer of Centre for Economic Policy Research (CEHR) subscription to RfR2	-16,000
3.	Administration Section A A transfer to RfR3 in respect of a movement of staff from Information Analysis Directorate to Pensions Analysis Directorate	-579,000
4.	Administration Section A Transfers to RfR1, RfR2, RfR3 and RfR4 due to the redistribution of the budget following the sale of Ranmoor Hall accommodation	-261,000
5.	Administration Section A A transfer of funding for a transfer of staff to RfR2 (Benefit Reform Division)	-63,000
6.	Administration Section A A transfer to RfR2 from HR Directorate in respect of replacement of the Legal Services contract	-323,000
7.	Other current Section A A revised calculation of the amount due from the National Insurance Fund leading to an increase in appropriations in aid and an equivalent increase in non-voted DEL	-766,000
8.	Administration Section A A transfer to RfR3 to increase the Pensions Ombudsman within Pensions Client Group due to a change in reporting responsibility	-225,000

**Neutral Changes:**Changes within the RfR

1.	Administration and Other Current Section A A movement from other current to administration to reflect revised spending plans	-39,000,000 39,000,000
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Changes in spending offset by changes in income

1.	Administration and Other Current Section A An increase in forecast appropriations in aid of £23,387,000 leading to an equivalent increase of £23,334,000 (administration) and £53,000 (other current)	23,387,000 -23,387,000
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**Total change in resources for RfR5                    8,318,000**

**Total change in resources for Estimate            1,252,950,000**

**Changes in capital****Increase**

- |    |   |            |
|----|---|------------|
| 1. | Capital<br>Section A<br>A transfer of funding from RfR2 other current to reflect revised spending plans | 62,000,000 |
|----|---|------------|

**Decrease**

- |    |  |            |
|----|--|------------|
| 1. | Capital<br>Section A<br>An increase in forecast non-operating appropriations in aid due to a profit on disposal on Capital sales leading to an overall reduction in capital provision on the Estimate (but no change in the overall capital budget). | -1,900,000 |
|----|--|------------|

**Neutral changes**

- |    |   |                         |
|----|---|-------------------------|
| 1. | Capital<br>Sections A and F<br>A transfer of capital from the Work, Welfare & Equality Client Group to the Rent Service                   | -1,114,000<br>1,114,000 |
| 2. | Capital<br>Sections C and D<br>A transfer of capital from Health and Safety Laboratory to the Health and Safety Executive                 | -2,420,000<br>2,420,000 |
| 3. | Capital<br>Section C<br>An increase in non-operating appropriations in aid leading to an increase in capital expenditure                  | -1,225,000<br>1,225,000 |
| 4. | Capital<br>Section D<br>A decrease in non-operating appropriations in aid leading to a decrease in capital expenditure                    | -378,000<br>378,000     |
| 5. | Capital<br>Section A<br>An increase in forecast non-operating appropriations in aid leading to an equivalent increase in capital spending | 510,000<br>-510,000     |

**Total change in capital for Estimate      60,100,000**

2. As a result of these changes there is an increase in the net cash requirement of £1,567,204,000
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Ensuring the best start for all children and ending child poverty in 20 years</b>	<b>68,582,000</b>
<b>RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need</b>	<b>1,025,411,000</b>
<b>RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners</b>	<b>132,093,000</b>
<b>RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society</b>	<b>18,546,000</b>
<b>RfR 5: Corporate contracts and support services</b>	<b>8,318,000</b>
Total additional net resource requirement	1,252,950,000
<b>Additional net cash requirement</b>	<b>1,567,204,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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 costs 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; Family Credit; 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. Measures to help people, particularly those on welfare and at a disadvantage in the labour market, into work; 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; awards for achievements in overcoming barriers to employment; 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. 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 to local authorities in respect of anti-fraud and similar administrative measures; discretionary housing payments; 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); grants to further health and safety in the workplace; the administration costs of the Children's Client group and the Disabled People 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 to local authorities in respect of Local Area Agreements; measures to promote financial inclusion and associated non-cash items.

**RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners**

The administration costs and benefit payments of non-contributory retirement pensions; Christmas Bonus payments to pensioners; Age-related payments 2005; One-off 70+ payments to Pensioners; Income Support for the elderly; Pension Credit; payments made to the BBC in respect of over 75's free TV licence scheme; expenditure to assist people make plans for their retirement; research into pensions; Private Pensions Industry regulatory work; Grant in

## **Part I (*continued*)**

Aid for the administration costs of Better Government for Older People; payments in respect of the Pension Protection Fund; 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 Ombudsman; sums payable to fund payments and loans made by the Social Fund; the administration of pilot programmes and new measures to help improve independence and social inclusion of older people; 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; Disability Working 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, the costs associated with the Appeals Service; measures to promote financial inclusion and associated non-cash items.

The **Department for Work and Pensions** 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
<b>RfR 1: Ensuring the best start for all children and ending child poverty in 20 years</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - A Administration	341,630	68,586	4	68,582	410,212
<b>Total RfR 1</b>		<b>68,586</b>	<b>4</b>	<b>68,582</b>	
<b>RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 2 - A Administration	1,505,331	169,431	-273,765	443,196	1,948,527
RfR 2 - B Employment programmes	991,221	56,205	23,315	32,890	1,024,111
RfR 2 - C Health and Safety Executive	231,319	15,413	637	14,776	246,095
RfR 2 - D Health and Safety Laboratory	-	1,771	1,771	-	-
RfR 2 - G European Social Fund	82,936	-49,322	-	-49,322	33,614
RfR 2 - H European Social Fund payments in advance of receipts	349,642	77,463	-	77,463	427,105
<i>Support for Local Authorities</i>					
RfR 2 - J Challenge funding and similar administrative measures - Local Authorities	163,464	-23,464	-	-23,464	140,000
RfR 2 - K Housing benefit and council tax benefit administration grants	459,487	43,008	-5	43,013	502,500
RfR 2 - L Third Party providers	5,000	-5,000	-	-5,000	-
RfR 2 - N European Social Fund	10,367	-7,358	-	-7,358	3,009
RfR 2 - O European Social Fund payments in advance of receipts	72,569	-20,783	-	-20,783	51,786
<b>Spending in Annually Managed Expenditure (AME)</b>					
<i>Central Government spending</i>					
RfR 2 - P Severe Disablement Allowance	876,704	40,000	-	40,000	916,704
RfR 2 - S Jobseeker's allowance (income based)	1,663,512	170,000	-	170,000	1,833,512
<i>Support for Local Authorities</i>					
RfR 2 - Y Housing benefit and council tax benefit subsidies	12,022,789	150,000	-	150,000	12,172,789
RfR 2 - Z Rent rebates	5,074,387	150,000	-	150,000	5,224,387
<b>Non-budget</b>					
RfR 2 - AB Statutory benefits (SSP and SMP)	1,316,538	10,000	-	10,000	1,326,538
<b>Total RfR 2</b>		<b>777,364</b>	<b>-248,047</b>	<b>1,025,411</b>	

**RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners**

**Spending in Departmental Expenditure Limits (DEL)**

*Central Government spending*

RfR 3 - A Administration	165,420	196,298	202,333	-6,035	159,385
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**Spending in Annually Managed Expenditure (AME)**

*Central Government spending*

RfR 3 - B Pension benefits	1,074,059	100,000	-	100,000	1,174,059
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**Non-budget**

RfR 3 - E Payments to the Social Fund	2,321,647	50,000	-	50,000	2,371,647
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RfR 3 - F Pensions Grants in Aid	48,303	-11,872	-	-11,872	36,431
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<b>Total RfR 3</b>		<b>334,426</b>	<b>202,333</b>	<b>132,093</b>	
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**RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society**

**Spending in Departmental Expenditure Limits (DEL)**

*Central Government spending*

RfR 4 - A Administration	190,639	19,135	692	18,443	209,082
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RfR 4 - B Motability administration	3,100	-140	160	-300	2,800
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**Non-budget**

RfR 4 - H Disability Rights Commission (Grant in Aid)	21,238	403	-	403	21,641
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<b>Total RfR 4</b>		<b>19,398</b>	<b>852</b>	<b>18,546</b>	
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**RfR 5: Corporate contracts and support services**

**Spending in Departmental Expenditure Limits (DEL)**

*Central Government spending*

RfR 5 - A Administration	2,134,404	32,471	24,153	8,318	2,142,722
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<b>Total RfR 5</b>		<b>32,471</b>	<b>24,153</b>	<b>8,318</b>	
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<b>Total Changes to RfRs</b>		<b>1,232,245</b>	<b>-20,705</b>	<b>1,252,950</b>	
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	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	398,995	63,357	462,352
Non-Operating A in A	7,134	3,257	10,391
<b>Net cash requirement</b>	<b>62,567,449</b>	<b>1,567,204</b>	<b>64,134,653</b>

**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	
<b>RfR 1: Ensuring the best start for all children and ending child poverty in 20 years</b>								
406,410	4,000	-	410,410	198	410,212	14,000	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
406,410	4,000	-	410,410	198	410,212	14,000	-	
<b>RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need</b>								
2,816,306	1,014,361	33,704,714	37,535,381	1,993,525	35,541,856	339,249	1,720	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
2,510,931	65,559	40,523	2,617,013	668,486	1,948,527	325,188	-	
B Employment programmes								
-	872,487	174,939	1,047,426	23,315	1,024,111	-	-	
C Health and Safety Executive								
232,089	68,986	-	301,075	54,980	246,095	10,147	1,700	
D Health and Safety Laboratory								
29,889	4,780	-	34,669	34,669	-	1,800	20	
E Capital Grants								
-	2,549	5,927	8,476	-	8,476	-	-	
F The Rent Service Executive Agency								
43,397	-	-	43,397	-	43,397	2,114	-	
G European Social Fund								
-	-	33,614	33,614	-	33,614	-	-	
H European Social Fund payments in advance of receipts								
-	-	427,105	427,105	-	427,105	-	-	
<i>Support for Local Authorities</i>								
I Employment Programmes								
-	-	37,047	37,047	-	37,047	-	-	
J Challenge funding and similar administrative measures - Local Authorities								
-	-	140,000	140,000	-	140,000	-	-	
K Housing benefit and council tax benefit administration grants								
-	-	502,500	502,500	-	502,500	-	-	
L Third Party providers								
-	-	-	-	-	-	-	-	
M Capital grants to Local Authorities								
-	-	2,895	2,895	-	2,895	-	-	
N European Social Fund								
-	-	3,009	3,009	-	3,009	-	-	
O European Social Fund payments in advance of receipts								
-	-	51,786	51,786	-	51,786	-	-	

**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		
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central Government spending</i>									
P	Severe Disablement Allowance	-	916,704	916,704	-	916,704	-	-	
Q	Industrial injury benefits	-	800,373	800,373	-	800,373	-	-	
R	Income support (under 60 years of age)	-	9,337,265	9,337,265	207,196	9,130,069	-	-	
S	Jobseeker's allowance (income based)	-	1,833,512	1,833,512	-	1,833,512	-	-	
T	Jobseeker's allowance (contribution based)	-	489,243	489,243	489,243	-	-	-	
U	Job Grant	-	35,436	35,436	-	35,436	-	-	
V	Employment Allowances	-	92,988	92,988	-	92,988	-	-	
W	Housing and Council tax benefit capital charge	-	3,277	3,277	-	3,277	-	-	
X	Non-continuing benefits debt activity	-	35	35	-	35	-	-	
<b>Support for Local Authorities</b>									
Y	Housing benefit and council tax benefit subsidies	-	12,172,829	12,172,829	40	12,172,789	-	-	
Z	Rent rebates	-	5,224,387	5,224,387	-	5,224,387	-	-	
AA	Discretionary housing payments	-	20,000	20,000	-	20,000	-	-	
<b>Non-budget</b>									
AB	Statutory benefits (SSP and SMP)	-	1,326,620	1,326,620	82	1,326,538	-	-	
AC	European Social Fund	-	32,700	32,700	515,514	-482,814	-	-	
<b>RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners</b>									
		<b>630,691</b>	<b>28,112</b>	<b>10,626,529</b>	<b>11,285,332</b>	<b>499,607</b>	<b>10,785,725</b>	<b>85,077</b>	<b>-</b>
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A	Administration	630,691	28,112	189	658,992	499,607	159,385	85,077	-
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central Government spending</i>									
B	Pension benefits	-	1,174,059	1,174,059	-	1,174,059	-	-	
C	Income support for the elderly and Pension Credit	-	6,593,187	6,593,187	-	6,593,187	-	-	



**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	
D	TV licences for the over 75s							
-	-	451,016	451,016	-	451,016	-	-	
<b>Non-budget</b>								
E	Payments to the Social Fund							
-	-	2,371,647	2,371,647	-	2,371,647	-	-	
F	Pensions Grants in Aid							
-	-	36,431	36,431	-	36,431	-	-	
<b>RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society</b>								
<b>208,502</b>	<b>2,090</b>	<b>14,005,543</b>	<b>14,216,135</b>	<b>4,170</b>	<b>14,211,965</b>	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	Administration							
208,502	2,090	-	210,592	1,510	209,082	-	-	
B	Motability administration							
-	-	2,960	2,960	160	2,800	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
C	Attendance Allowance							
-	-	3,901,178	3,901,178	-	3,901,178	-	-	
D	Disability Living Allowance							
-	-	8,648,508	8,648,508	-	8,648,508	-	-	
E	Carer's Allowance							
-	-	1,193,773	1,193,773	-	1,193,773	-	-	
F	Vaccine Damage Payments							
-	-	500	500	-	500	-	-	
G	Grants to independent bodies							
-	-	236,983	236,983	2,500	234,483	-	-	
<b>Non-budget</b>								
H	Disability Rights Commission (Grant in Aid)							
-	-	21,641	21,641	-	21,641	-	-	
<b>RfR 5: Corporate contracts and support services</b>								
<b>2,109,504</b>	<b>118,484</b>	-	<b>2,227,988</b>	<b>85,266</b>	<b>2,142,722</b>	<b>24,026</b>	<b>8,671</b>	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A	Administration							
2,109,504	118,484	-	2,227,988	85,266	2,142,722	24,026	8,671	
<b>Total for Estimate:</b>								
<b>6,171,413</b>	<b>1,167,047</b>	<b>58,336,786</b>	<b>65,675,246</b>	<b>2,582,766</b>	<b>63,092,480</b>	<b>462,352</b>	<b>10,391</b>	

**Part II: Resource to cash reconciliation**

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>61,839,530</b>	<b>1,252,950</b>	<b>63,092,480</b>
<b>Voted capital items</b>			
Capital expenditure	398,995	63,357	462,352
<i>Less:</i> non-operating A in A	<u>7,134</u>	<u>3,257</u>	<u>10,391</u>
<b>Total net voted capital</b>	<b>391,861</b>	<b>60,100</b>	<b>451,961</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-60,709	-986	-61,695
Depreciation	-108,628	629	-107,999
New provisions and adjustments to previous provisions	-107,010	357	-106,653
Profit/loss on sale of assets	-	3,400	3,400
Prior period adjustments	-	-	-
Other non-cash items	-23,269	-	-23,269
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	316,791	250,000	566,791
Increase(-)/decrease (+) in creditors	318,883	-	318,883
Use of provisions	<u>-</u>	<u>754</u>	<u>754</u>
<b>Total accruals to cash adjustments</b>	<b>336,058</b>	<b>254,154</b>	<b>590,212</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>62,567,449</b>	<b>1,567,204</b>	<b>64,134,653</b>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	406,212	
RfR 2	2,731,449	
RfR 3	628,690	
RfR 4	207,082	
RfR 5	2,049,742	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>6,023,175</b>
<b>Net Programme Costs</b>		
RfR 1	4,000	
RfR 2	33,436,133	
RfR 3	10,538,916	
RfR 4	14,004,883	
RfR 5	117,692	
Non-voted expenditure	59,798,183	
	<hr/>	
<b>Total Net Programme costs</b>		<b>117,899,807</b>
<b>Total Net Operating Cost</b>		<b>123,922,982</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>63,092,480</b>
CFERs		-
Non-voted expenditure		63,202,149
<b>Resource Budget Outturn</b>		<b>124,431,469</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>63,092,480</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	63,202,149
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-2,371,647
<b>Net Operating Costs (Accounts)</b>	<b>123,922,982</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-3,253
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	535,714
voted expenditure outside the budget	-32,700
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-22
resource consumption of non departmental public bodies	2,989
unallocated resource provision	4,825
Other adjustments	934
<b>Resource Budget Outturn (Budget)</b>	<b>124,431,469</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	8,588,610
Annually Managed Expenditure (AME)	115,842,859

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>451,961</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	3,400
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	9,928
capital grants to local authorities	3,053
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	93,502
<b>Capital Budget Outturn (Budget)</b>	<b>561,844</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	468,342
Annually Managed Expenditure (AME)	93,502

## 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.

<b>Request for Resources 1</b>	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
<b>Request for Resources 2</b>	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
<b>Request for Resources 3</b>	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
<b>Request for Resources 4</b>	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
<b>Request for Resources 5</b>	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department

Leigh Lewis as the Principal Accounting Officer (PAO) of the Department for Work and Pensions has personal responsibility for the proper presentation of the Department for Work and Pensions' 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 RfRs, 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 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 Work and Pensions' 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	
	2005-06 Provision	
	Operating A in A	Non- operating A in A
<b>RfR 1: Ensuring the best start for all children and ending child poverty in 20 years</b>		
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	44	-
Receipts from non-resident parents following an advance payment for maladministered maintenance to a parent with care	145	-
Receipts from applicants for services provided by the Child Support Agency	3	-
Receipts from staff for private telephone calls	6	-
<b>Total RfR 1</b>	<b>198 *</b>	<b>-</b>
* 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 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.		
<b>RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need</b>		
Receipts from the National Insurance Fund for the estimated cost of administering National Insurance Benefits	625,726	-
Receipts for services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	395	-
Receipts from other Departments/Organisations in respect of outward secondments	3,697	-
Receipts from matched funded projects	806	-
Recovery of the costs of administering allowance payments for work based learning for adults in Scotland and Wales	209	-
Contribution from Scotland and Wales toward Employment Zones	375	-
Receipts from Local Authorities and partner organisations for services provided to them by Departmental Action Teams	1,339	-
Receipts for expenses from the EU	137	-
Repayment of temporary loans to Remploy	-	-
Challenge funding and similar measures	-	-
Receipts from staff for private telephone calls	192	-
Receipts from mortgage lenders	446	-
Income support (under 60 years of age)	207,196	-
Jobseeker's allowance (contribution based)	489,243	-
Receipts from Working Links management fee	100	-
Housing benefit and council tax benefit subsidies	40	-
Statutory benefits (SSP and SMP)	82	-
Health and Safety Executive	54,980	1,700
Health and Safety Laboratory	34,669	20
Receipts from outside bodies in respect of partnership working in New Deal for Community areas	285	-
Receipts from EU twinning funded projects	437	-
Payments from Department for Education and Skills for International Programmes	34,166	-
Receipts in respect of the European Social Fund	515,514	-
Presidency receipts from the EU	-	-
Refunds from Local Authorities of Performance Standard Funding	-	-
Recovery from the EC of the costs of work on European Employment Services (EURES)	211	-
Receipts from the Home Office in respect of refugee pilot schemes	280	-
Receipts from the Department for Education and Skills in respect of short intensive basic skills training (SIBS)	23,000	-
<b>Total RfR 2</b>	<b>1,993,525 *</b>	<b>1,720 **</b>

## Notes to the Estimate (*continued*)

\*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 costs of administering allowance payments for work based learning for adults in Scotland and Wales;

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 the 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 Jobcentre Plus; 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.

\*\*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 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Receipts from the National Insurance Fund for the costs of administering National Insurance Benefits	457,748	-
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	1,590	-
Receipts for levy funded bodies	38,546	-
Receipts from other departments/organisations in respect of outward secondments	425	-
Receipts from mortgage lenders	410	-
Receipts from staff for private telephone calls	1	-
Partnership Funding	887	-
<b>Total RfR 3</b>	<b>499,607 *</b>	<b>-</b>

\* 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 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.

**Notes to the Estimate (continued)**

	£'000	
	2005-06 Provision	
	Operating A in A	Non- operating A in A
<b>RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society</b>		
Motability administration	160	-
Motability grant	2,500	-
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	1,420	-
Receipts from staff for private telephone calls	-	-
Receipts from other departments/organisations in respect of outward secondments	90	-
<b>Total RfR 4</b>	<b>4,170 *</b>	<b>-</b>

\* 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 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**

Receipts from the National Insurance Fund for the costs of administering National Insurance Benefits	24,712	-
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	35,738	-
Receipts from mortgage lenders	566	-
Receipts from staff towards the cost of private use of official vehicles	1,167	-
Receipts from sub-let accommodation	20,796	-
Receipts from staff for private telephone calls	23	-
Recovery of law costs from defendants	1,280	-
Receipts from other departments/organisations in respect of outward secondments	792	-
Receipts from the sale of obsolete machinery, equipment, official vehicles, furniture and buildings	-	8,671
Early Departures pre-funding interest	135	-
Receipts in respect of European Fast Stream	57	-
<b>Total RfR 5</b>	<b>85,266 *</b>	<b>8,671 **</b>

\* 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 third parties for uninsured losses; receipts from staff for private telephone calls; recovery of law costs from dependants; 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 pre-funding interest.

\*\* Amount that may be applied as non-operating appropriations in aid arising from receipts from sales of obsolete machinery, equipment, official vehicles, furniture and fittings.

<b>Total A in A</b>	<b>2,582,766</b>	<b>10,391</b>
<i>of which: Administration budgets</i>	<i>147,985</i>	<i>-</i>



## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Work and Pensions' Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource DEL	58,158	7,409,690	1,178,920	8,588,610
<i>of which :Administration Budget</i>	<i>30,335</i>	<i>6,023,192</i>	<i>5,735</i>	<i>6,028,927</i>
Capital DEL	62,000	458,414	9,928	468,342
Less Depreciation*	629	-107,999	-762	-108,761
Total DEL	120,787	7,760,105	1,188,086	8,948,191

\*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**  
2,593,157

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:

Subhead	Service		£'000
RfR 2	Awards for achievement in overcoming barriers to unemployment	■	300
RfR 3	Payments in respect of Better Government for Older People	■	400
RfR 3	Payment to the Centre for Policy on Ageing	■	70

### Grants in Aid over £ 1 million

Independent Living Fund	♥	226,359
Motability	♥	10,624
Disability Rights Commission	♥	21,641
The Pension Regulator	♥	23,670
Pension Protection Fund		9,991
Pensions Advisory Service		2,300
<b>TOTAL</b>		<b>294,585</b>

## Contingent liabilities

As at 31 March 2005, the following liabilities fell to be met from the Department's Estimate: £'000

### Non - Statutory

From April 1995 some Child Support Agency debt has been deferred and will not be recoverable from clients provided certain conditions are met. This could result in the Child Support Agency taking over such debt from non-resident parents. In 2004-05, £0.5 million (2003-04, £1.21 million) was paid by the Agency to parents with care under this arrangement. The maximum potential liability at 31 March 2005 is £31.0 million (31 March 2004, £33.7 million), subject to all cases meeting the criteria. As it is not practicable to estimate the amount that may be paid out, no provision has been made in the accounts. 33,700

In a judicial review brought by a parent with care under the Human Rights Act 1998, it was judged Unquantifiable that the parent with care's human rights had not been breached, but that she can apply for damages under the Human Rights Act, where the Secretary of State has failed, unreasonably, to enforce the collection of maintenance due. The Agency lodged a successful appeal against this decision and the parent with care subsequently lodged an appeal to the House of Lords. The parent with care lost their appeal (decision 14 July 2005), with the House of Lords ruling in favour of the Secretary of State. The parent with care has six months from the date of the decision to lodge an Appeal with the European Court. As the outcome of this case cannot be predicted any consequential obligation cannot be measured with sufficient reliability to enable a value to be recognised in the accounts.

Due to a structural problem, the Department has a future liability to fund the reconstruction of one of its buildings. All legal implications relating to this liability have been resolved, and it has been determined that this will be funded through Departmental resources. Not known

Jobcentre Plus has given formal guarantee in respect of a bank overdraft for Remploy Limited, an Executive Non-Departmental Public Body. The guarantee is up to a maximum of £15 million. As at 31 March 2005, £14.3 million of the overdraft facility had been utilised. 15,000

There is an unquantifiable liability in respect of the legal responsibility that the Secretary of State has as sole guarantor of Remploy Limited. The liability is secured by an all monies debenture. Unquantifiable

Better Government for Older People (BGOP) is an initiative which is funded by several consortium partners with DWP 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. But in addition to the funding which DWP 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 calendar year). As the 'Consortium Agreement' year runs from October to September, this could amount to £2 million in totality. 2,000

**Contingent liabilities (continued)**

The former Department for Education and Employment Ministers gave their agreement that the former Training and Enterprise Councils could be offered indemnities in respect of certain liabilities that arose or continued after the contractual relationship with Government ended on 25 March 2001. The purpose of these indemnities was to give the former Training and Enterprise Council Directors, or a liquidator, sufficient assurances to conclude that relationship and either return residual reserves owing to the Secretary of State, or distribute these with the Secretary of State's agreement at the earliest opportunity. Responsibility for these contingent liabilities transferred to Jobcentre Plus on 1 April 2002 from the Employment Service. 12,000

Consequently, Jobcentre Plus has agreed to offer indemnities of up to £12 million in respect of existing contracts with the former Training and Enterprise Councils that were novated as a result of the former Training and Enterprise Council's wind up, or in respect of repayments claimed following audit of past contract activity.

Following the ruling of the Employment Appeal Tribunal in the lead dress standard case, the Public and Commercial Services Union has withdrawn its support for further action. Consequently the 7,000 plus compensation claims that were outstanding reduced to less than 4,000 and this figure is expected to reduce further. Due to uncertainty regarding the outcome of the discussions and size of any financial remedy it is not possible to provide a reliable estimate of the financial effect. Unquantifiable

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 a cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice. Depending upon the outcome of that reference, the case could be decided in HSE's favour or remitted to an Employment Tribunal to be heard again. The legal process could, therefore, continue for a considerable period of time. HSE won another equal pay case in December 2003 as a result of the Employment Appeal Tribunal decision but that case is subject to a cross appeal from the other side, which has been stayed pending the outcome of the first case. If HSE were to lose these cases, the financial consequences would depend on the nature of the final judgement in relation to the two employees who brought the cases and the degree to which the judgements would apply more widely in HSE. Unquantifiable

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 and there is no time limit for requesting a Vaccine Damage Appeal 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.

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 £13.7 million already paid to contractors and a provision for this has been created in the 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

**Contingent liabilities (continued)**

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 those customers of working age who may be affected by this. The Department is currently in the process of contacting approximately 470,000 pensioner customers affected by the suspension of deficiency notices. Customers who reached State Pension age between 6 April 1999 and 24 October 2004 (inclusive) are being 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. As yet, the level of take up cannot be estimated with sufficient reliability to enable a value to be determined.

Unquantifiable

The Department is in commercial negotiations with EDS, the supplier of the Child Support 2 computer system, around the cost of remedial work on the system. At the balance sheet date no confirmed liability has been agreed.

Unquantifiable

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 has been settled. A cost of £77,000 has been estimated based on previous experience of similar claims. A cost of £15,000 has also been estimated for two pending Employment Tribunal cases. These costs have not been provided for in these financial statements.

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# 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**

The main purpose of the Supplementary Estimate is to drawdown Departmental Unallocated Provision of £6,000,000 administration and £31,000,000 programme, to request Non-budget funding outside the Department's budgetary framework to enable a transfer to Northern Ireland Executive for PSNI civilian pension of £1,620,000, to action an increase in the PSNI pension cash grant of £7,092,000, to action technical transfers to other government departments of £339,000 net, a transfer from capital of £2,221,000 to Non-budget and to action an increase in PSNI cash grant of £3,530,000 due to FTR provision

### **Increases:**

#### Take-up of DUP

37,000,000

- 1 an increase of £6,000,000 administration (RfR 1: Subhead A1, Central Administration) due to increased running costs and reallocation of easements identified in other subheads
- 2 an increase of £14,263,000 grants (RfR 1: Subhead G3, Compensation Agency) due to increased provision for compensation claims
- 3 an increase of £1,000,000 other current (RfR 1: Subhead P2, Bloody Sunday) due to the continuation of the Bloody Sunday Inquiry in 2005/06
- 4 an increase of £5,275,000 other current (RfR 1: Subhead C2, Political) due to the set up of the Cory Inquiries
- 5 an increase of £462,000 other current (RfR 1: Subhead J2, Northern Ireland Prison Service) due to an increase in provisions
- 6 an increase of £10,000,000 other current (RfR 1: Subhead H2, Policing & Security) due to the utilisation of the PSNI FTR provision

#### Funding request outside the Department's budgetary framework

12,242,000

- 1 an increase of £1,620,000 grants (RfR 1: Subhead L3 Police) being the final tranche to action a transfer to the Northern Ireland Executive for PSNI civilian pensions
- 2 an increase of £7,092,000 grants (RfR 1: Subhead M3 Police Pensions) due to an increase in pension cash grant
- 3 an increase of £3,530,000 grants (RfR 1: Subhead L3 Police) due to an increased utilisation of an FTR provision

**Introduction (*continued*)**

Transfers from other government departments 650,000

- 1 Transfers from NIE £43,000 administration for Energy Efficiency (RfR 1: Subhead A1, Central Administration), £406,000 administration for security vetting (RfR 1: Subhead A1, Central Administration) and a budgetary transfer from Cabinet Office of £201,000 administration for the Parliamentary Counsel Office (RfR 1: Subhead A1, Central Administration)

Transfers from capital

- 1 an increase of £741,000 grant (RfR 1: Subhead O3, Probation Board for Northern Ireland) due to a transfer from Criminal Justice for Northern to fund a capital project 741,000
- 2 an increase of £1,480,000 grant (RfR 1: Subhead L3, Police) due to a transfer from Central Administration for capital projects 1,480,000

**Decreases**

Transfers to other government departments -409,000

Transfers to NIE - DFP comprising £105,000 administration for pensions (£44,000 (RfR 1: Subhead A1, Central Administration) and £61,000 (RfR 1: Subhead J1, Northern Ireland Prison Service)), £8,000 programme for BRO (RfR 1: Subhead F2, Criminal Justice), £50,000 programme for domestic violence (RfR 1: Subhead F2, Criminal Justice), £100,000 administration for OHS (£52,000 (RfR 1: Subhead J1, Northern Ireland Prison Service), £12,000 (RfR 1: Subhead K1, Youth Justice Agency) and £36,000 (RfR 1: Subhead A1, Central Administration)), £25,000 programme for ESNSG (RfR 1: Subhead F3, Criminal Justice), £95,000 grants for centralisation costs (RfR 1: Subhead L3, Police) and £26,000 administration for salaries (RfR 1: Subhead A1, Central Administration)

**Neutral Changes:**Transfers within the RfR -Sections receiving transfers

- 1 an increase of £1,717,000 administration (RfR 1: Subhead A1, Central Administration) due to increased staff and training costs and easements from other sections
- 2 an increase of £252,000 other current (RfR 1: Subhead A2, Central Administration) due to increased running costs for Information Services
- 3 an increase of £330,000 AinA (RfR 1: subhead A5, Central Administration) due to an increase in receipts from other departments for staff on secondment
- 4 an increase of £241,000 administration (RfR 1: Subhead B1, Ministers) due to increased running costs
- 5 an increase of £395,000 administration (RfR 1: Subhead C1, Political) due to the set up of the Cory Inquiries
- 6 an increase of £70,000 A-inA (RfR 1: Subhead C5, Political) due to an increase in Electrol Office receipts
- 7 an increase of £36,000 administration (RfR 1: Subhead E1, Forensic Science Northern Ireland) due to a transfer from Central Administration for training costs

## Introduction (*continued*)

- 8 an increase of £2,637,000 other current (RfR 1: Subhead J2, Northern Ireland Prison Service) due to an increase in provisions
- 9 an increase of £81,000 administration (RfR 1: Subhead F1, Criminal Justice) due to a transfer from central administration for training costs
- 10 an increase of £145,000 administration (RfR 1: Subhead G1, Compensation Agency) due to increased professional fees associated with an increase in compensation claims
- 11 an increase of £3,875,000 grants (RfR 1: Subhead L3, Police) due to an increase in PSNI and Patten severance projects
- 12 an increase of £304,000 grants (RfR 1: Subhead O3, Probation Board for Northern Ireland) mainly due to the victim support scheme

### Sections making transfers

- 1 a decrease of £150,000 grants (RfR 1: Subhead C3, Political) due to court cases not being settled until 2006/07
- 2 a decrease of £66,000 administration (RfR 1: Subhead H1, Policing and Security) due to reduced running costs
- 3 a decrease of £3,373,000 other current (RfR 1: Subhead H2, Policing and Security) due to reduced running costs
- 4 a decrease of £1,477,000 administration (RfR 1: Subhead J1, Northern Ireland Prison Service) due to short term vacancies in NIPS headquarters and the Prison Service College
- 5 a decrease of £20,000 A-in-A (RfR 1: Subhead J5, Northern Ireland Prison Service) due to decreased resource receipts
- 6 a decrease of £1,643,000 other current (RfR 1: Subhead F2, Criminal Justice) mainly due to a slippage in the Community Safety Partnership programme
- 7 a decrease of £250,000 grants (RfR 1: Subhead F3, Criminal Justice) due to a slippage in staff recruitment in the Criminal Justice Inspectorate
- 8 a decrease of £3,000 other current (RfR 1: Subhead K2, Youth Justice Agency) due to a delay in the roll-out of the Youth Conference Service
- 9 a decrease of £165,000 administration (RfR 1: Subhead D1, Public Prosecution Service) due to a reduction in rent and rates for the new headquarters building
- 10 a decrease of £1,358,000 other current (RfR 1: Subhead D2, Public Prosecution Service) due to a slippage in the set up of the regional offices
- 11 a decrease of £416,000 other current (RfR 1: subhead G2, Compensation Agency) due to a reduction in non-cash costs
- 12 a decrease of £95,000 A-in-A (RfR 1: Subhead G5, Compensation Agency) due to a reduction in the level of recoveries from past offenders
- 13 a decrease of £497,000 administration (RfR 1: Subhead P1, Bloody Sunday) due to rephrasing of the publication of the Bloody Sunday report until 2006/07

**Total change in resources for RfR1 51,704,000**

## Introduction (*continued*)

### Changes in capital

#### Decreases:

##### Transfers to other government departments

1	a transfer of £580,000 capital to NIE (RfR 1: Subhead F7, Criminal Justice)	-580,000
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##### Other

1	a decrease of £741,000 capital (RfR 1: Subhead F7, Criminal Justice) due to a transfer to Probation Board for Northern Ireland cash grant to fund a capital project	-741,000
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2	a decrease of £1,480,000 capital (RfR 1: Subhead A7, Central Administration) due to a transfer to PSNI cash grant for capital projects	-1,480,000
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#### Neutral Changes:

##### Sections receiving transfers

1	an increase of £1,253,000 capital (RfR 1: Subhead A7, Central Administration) due to an increase in capital projects	1,253,000
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2	an increase of £37,000 capital (RfR 1: Subhead E7, Forensic Science Northern Ireland) due to the Historic case project	37,000
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3	an increase of £70,000 capital (RfR 1: Subhead D7, Public Prosecution Service) due to the set up of a disaster recovery site	70,000
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4	an increase of £140,000 capital (RfR 1: Subhead G7, Compensation Agency) due to the development of the case management system and increased accommodation costs	140,000
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##### Sections making transfers

1	a decrease of £1,500,000 capital (RfR 1: Subhead J7, Northern Ireland Prison Service) due to the rephasing of a major capital project	-1,500,000
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	<b>Total change in capital for Estimate</b>	<b>-2,801,000</b>
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2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £28,295,000

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



**Part I**

£

<b>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</b>	<b>51,704,000</b>
Total additional net resource requirement	51,704,000
<b>Additional net cash requirement</b>	<b>28,295,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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; the Independent Assessor of Military Complaints Procedures in Northern Ireland; the Parades Commission; arms decommissioning; policing including expenditure arising from police pensions; prisons including the Prison Service Trust and the Prison Ombudsman; 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
<b>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</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Central Administration	43,833	8,513	330	8,183	52,016
RfR 1 - B Ministers	3,586	241	-	241	3,827
RfR 1 - C Political Directorate	20,271	5,520	70	5,450	25,721
RfR 1 - D Public Prosecution Service	26,841	-1,523	-	-1,523	25,318
RfR 1 - E Forensic Science Northern Ireland	1,410	36	-	36	1,446
RfR 1 - F Criminal Justice	25,291	-1,895	-	-1,895	23,396
RfR 1 - G Compensation Agency	31,203	13,992	-95	14,087	45,290
RfR 1 - H Policing and Security	18,347	6,561	-	6,561	24,908
RfR 1 - J Northern Ireland Prison Service	133,373	1,509	-20	1,529	134,902
RfR 1 - K Youth Justice Agency	20,443	-15	-	-15	20,428
<b>Non-budget</b>					
RfR 1 - L Police	882,562	10,410	-	10,410	892,972
RfR 1 - M Police Pensions	45,947	7,092	-	7,092	53,039
RfR 1 - O Probation Board for Northern Ireland	14,106	1,045	-	1,045	15,151
RfR 1 - P Bloody Sunday	5,800	503	-	503	6,303
<b>Total RfR 1</b>		<b>51,989</b>	<b>285</b>	<b>51,704</b>	

£000

	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	36,508	-2,801	33,707
Non-Operating A in A	4,050	-	4,050
<b>Net cash requirement</b>	<b>11,444,523</b>	<b>28,295</b>	<b>11,472,818</b>

**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	
<b>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</b>								
101,803	226,501	1,018,410	1,346,714	12,487	1,334,227	33,707	4,050	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Central Administration								
43,407	12,037	-	55,444	3,428	52,016	8,635	4,000	
B Ministers								
3,827	-	-	3,827	-	3,827	-	-	
C Political Directorate								
6,645	17,841	1,500	25,986	265	25,721	853	-	
D Public Prosecution Service								
1,868	23,536	-	25,404	86	25,318	747	-	
E Forensic Science Northern Ireland								
9,407	-	-	9,407	7,961	1,446	421	50	
F Criminal Justice								
9,811	9,190	4,410	23,411	15	23,396	12,434	-	
G Compensation Agency								
4,459	-261	41,417	45,615	325	45,290	518	-	
H Policing and Security								
6,614	16,163	2,141	24,918	10	24,908	82	-	
I Policing - Non Severance								
150	1,810	-	1,960	-	1,960	-	-	
J Northern Ireland Prison Service								
14,424	120,445	230	135,099	197	134,902	9,741	-	
K Youth Justice Agency								
88	20,540	-	20,628	200	20,428	276	-	
<b>Non-budget</b>								
L Police								
-	-	892,972	892,972	-	892,972	-	-	
M Police Pensions								
-	-	53,039	53,039	-	53,039	-	-	
N Police Ombudsman for Northern Ireland								
-	-	7,550	7,550	-	7,550	-	-	
O Probation Board for Northern Ireland								
-	-	15,151	15,151	-	15,151	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
P Bloody Sunday								
1,103	5,200	-	6,303	-	6,303	-	-	

**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	
<b>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.</b>								
-	-	10,137,001	10,137,001	-	10,137,001	-	-	
<b>Non-budget</b>								
A Grants to the Northern Ireland Consolidated Fund								
-		10,137,000	10,137,000	-	10,137,000	-	-	
B European Institutions (Net)								
-		1	1	-	1	-	-	
<b>Total for Estimate:</b>								
101,803	226,501	11,155,411	11,483,715	12,487	11,471,228	33,707	4,050	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>11,419,524</b>	<b>51,704</b>	<b>11,471,228</b>
<b>Voted capital items</b>			
Capital expenditure	36,508	-2,801	33,707
<i>Less:</i> non-operating A in A	<u>4,050</u>	<u>-</u>	<u>4,050</u>
<b>Total net voted capital</b>	<b>32,458</b>	<b>-2,801</b>	<b>29,657</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,317	511	-8,806
Depreciation	-15,616	-849	-16,465
New provisions and adjustments to previous provisions	-30,855	-27,124	-57,979
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-3,777	2,234	-1,543
Increase(+)/decrease (-) in stock	-13	-	-13
Increase(+)/decrease (-) in debtors	-405	-	-405
Increase(-)/decrease (+) in creditors	-200	-	-200
Use of provisions	<u>52,724</u>	<u>4,620</u>	<u>57,344</u>
<b>Total accruals to cash adjustments</b>	<b>-7,459</b>	<b>-20,608</b>	<b>-28,067</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>11,444,523</b>	<b>28,295</b>	<b>11,472,818</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR1	90,120	
RfR2	-	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>90,120</b>
<b>Net Programme Costs</b>		
RfR1	1,244,107	
RfR2	10,137,001	
	<hr/>	
<b>Total Net Programme costs</b>		<b>11,381,108</b>
<b>Total Net Operating Cost</b>		<b>11,471,228</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>11,471,228</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>1,457,494</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>11,471,228</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>11,471,228</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	187,129
voted expenditure outside the budget	-10,324,129
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	113,995
unallocated resource provision	9,271
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>1,457,494</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,235,529
Annually Managed Expenditure (AME)	221,965

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>29,657</b>
<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	35,691
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>65,348</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	65,348
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.

<b>Request for Resources 1</b>	Jonathan Phillips, Principal Accounting Officer and Permanent Under Secretary of the Northern Ireland Office
<b>Request for Resources 2</b>	Jonathan Phillips, Principal Accounting Officer and Permanent Under Secretary of the Northern Ireland Office

Jonathan Phillips, as the Principal Accounting Officer (PAO) of the Northern Ireland Office has personal responsibility for the proper presentation of the Northern Ireland Office'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 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 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 Northern Ireland Office'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>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</b>		
Income from licences	2	-
Income from fees and charges	86	-
Recovery of costs	12,393	-
Income from other sales	6	50
Income from sale of land and buildings	-	4,000
<b>Total RfR1</b>	<b>12,487 *</b>	<b>4,050 **</b>
<i>of which: Administration Budgets</i>	<i>11,683</i>	<i>-</i>

\* 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, 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, and tuck shop receipts.

\*\* Amount that may be applied as non-operating appropriations in aid include receipts from the sale of residential properties, surplus IT and office equipment.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Northern Ireland Office Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	36,241	365,515	870,014	1,235,529
<i>of which :Administration Budget</i>	<i>419</i>	<i>90,120</i>	<i>4,973</i>	<i>95,093</i>
Capital	-580	29,657	35,691	65,348
Depreciation*	-1,698	-16,465	-28,627	-45,092
Total	33,963	378,707	877,078	1,255,785

\*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  
16,537

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

# 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**

#### **Increases:**

##### Financial Inclusion Fund

- |    |  |  |         |
|----|--|--|---------|
| 1. | administration   |  | 600,000 |
|    | RfR 1: subhead A1  |  |         |
|    | switch of funding from non-voted Financial Inclusion Fund to voted expenditure |  |         |

##### Machinery of Government change

- |    |  |  |         |
|----|--|--|---------|
| 1. | administration   |  | 914,000 |
|    | RfR 1: subheads A1 and A5  |  |         |
|    | change to reflect the transfer of the Government Social Research Unit from Cabinet Office to HM Treasury (£1,050,000 expenditure, £136,000 a-in-a) |  |         |

#### **Decreases:**

##### Transfers between RfRs

- |    |   |  |            |
|----|---|--|------------|
| 1. | administration/programme  |  |            |
|    | RfR 1: subhead A1 to RfR 2 : subhead A2 (£3,700,000) and RfR 3: subhead A1 (£3,600,000) and subhead A2 (£1,104,000)     |  | -8,404,000 |
|    | transfer from RfR1 to RfR 2 for increased spend on coinage and RfR 3 for work on improving efficiency within government |  |            |
| 2. | administration/programme  |  | -1,423,000 |
|    | RfR 1: subhead B1 to RfR3: subhead A2   |  |            |
|    | transfer from RfR1 to RfR 3 for work on improving efficiency within government  |  |            |
| 3. | programme   |  | -3,666,000 |
|    | RfR 1: subhead A2 to RfR 3: subhead A2  |  |            |
|    | transfer from RfR1 to RfR 3 for work on improving efficiency within government  |  |            |
| 4. | programme   |  | -2,672,000 |
|    | RfR 1: subhead B2 to RfR 3: subhead A2  |  |            |
|    | transfer from RfR1 to RfR 3 for work on improving efficiency within government  |  |            |

#### **Neutral Changes:**

##### Virement within the RfR

- |    |   |  |  |
|----|---|--|--|
| 1. | programme   |  |  |
|    | RfR 1: subhead A2 to RfR 1: subhead C3  |  |  |
|    | virement of £155,000 from core Treasury programme to the Parliamentary Bodies |  |  |

## Introduction (*continued*)

2. programme Annually Managed Expenditure  
RfR 1: subhead F2 to subhead G2  
virement of £500,000 cost of capital for possible charges should saleable artefacts be recovered from HMS Sussex

### Increased spending offset by income

1. administration costs  
RfR 1: subheads A1 and A5  
increase to a-in-a of £4,553,000 with matching expenditure
2. administration costs  
RfR 1: subheads B1 and B5  
increase to a-in-a of £2,350,000 with matching expenditure
3. programme  
RfR 1: subheads A2 and A5  
increase to a-in-a of £1,319,000 with matching expenditure
4. programme  
RfR 1: subheads A2 and A5  
a-in-a of Pool Re income £86,000 and matching increased expenditure on administration of Pool Re
5. programme  
RfR 1: subheads B2 and B5  
increase to a-in-a of £2,258,000 with matching expenditure

### Change to ambit

1. to allow appropriation in aid of income to cover expenditure on administration of Treasury related bodies

**Total changes in resources for RfR1** -14,651,000

### **RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage**

#### **Increase**

#### Transfer between RfRs

1. programme 3,700,000  
RfR 2: subhead A2 from RfR 1: subhead A1  
transfer from RfR 1 for increased spend on coinage

#### **Neutral Change:**

1. programme  
RfR 1: subheads A2 and A5  
increase to a-in-a of £500,000 with matching expenditure

#### **Decrease**

#### Reduction of AME provision

1. programme -3,935,000  
RfR2: subhead B2  
reduction reflecting latest forecast

**Total changes in resources for RfR2** -235,000

## Introduction (*continued*)

### RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis

#### Increases:

##### Transfer from non-voted spending

1.	programme	2,422,000
	RfR 3: subhead A2	
	Switch of non-voted Efficiency Challenge Fund allocation to voted expenditure	

##### Transfers between RfRs

1.	administration	3,600,000
	RfR 3: subhead A1 from RfR1: subhead A1	
	transfer from RfR1 to RfR 3 for OGC's work on its expanded remit, particularly on improving efficiency within government	
2.	administration/programme	8,865,000
	RfR 3: subhead A2 from RfR1: subheads A1 (£1,104,000), B1 (£1,423,000), A2 (£3666,000) and B2 (£2,672,000)	
	transfer from RfR1 to RfR 3 for OGC's work on its expanded remit, particularly on improving efficiency within government and for changes in the provisions for the residual vacant estate	

#### Neutral Changes:

##### Increased spending offset by income

1.	administration/programme	
	RfR 1: subheads A1, A2 and A5	
	increase to a-in-a of £325,000 with matching expenditure	

**Total changes in resources for RfR3** 14,887,000

**Total changes in resources for Estimate** 1,000

#### Changes in capital

##### Increase

RfR3 subhead A7	1,840,000
-----------------	-----------

##### Decrease

RfR1 subhead A7	-1,565,000
-----------------	------------

RfR1 subhead B7	-640,000
-----------------	----------

RfR3 subhead B8	-1,380,000
-----------------	------------

**Total changes in capital for Estimate** -1,745,000

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £8,462,000.
- Symbols are explained in the Introduction to this booklet.

## Part I

£

<b>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</b>	* †	<b>-14,651,000</b>
<b>RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage</b>	†	<b>-235,000</b>
<b>RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis</b>	†	<b>14,887,000</b>
Total additional net resource requirement		1,000
<b>Additional net cash requirement</b>	<b>*</b>	<b>8,462,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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; expenditure by the office of the HM Paymaster (OPG) for the provision of banking and related services to government departments and other bodies; grants in aid to four Parliamentary bodies, expenses in connection with honours and gratuities, 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, management and sales of residual government shareholdings and holdings of privatised companies' debt, and associated non-cash items.

**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.

**RfR 3: 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, 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.

### Footnotes

\* The Government Social Research Unit (RfR1, within Section A) is being transferred from the Cabinet Office on 13 February 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are: (i) the net resource requirement is increased by £914,000 and operating appropriations-in-aid are increased by £136,000; (ii) the net cash requirement is increased by £914,000.

† The reduction in the net resource requirement for RfR1 of £ 14,651,000 and for RfR2 of £ 235,000 is offset by a reallocation of those resources to RfR3.

## 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
<b>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</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Core Treasury	126,744	-4,617	6,094	-10,711	116,033
RfR 1 - B Debt Management Office	14,587	513	4,608	-4,095	10,492
RfR 1 - C Parliament and Privy Council	2,940	155	-	155	3,095
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - F Investment in Bank of England	95,100	-500	-	-500	94,600
RfR 1 - G HMS Sussex artefacts	-	500	-	500	500
<b>Total RfR 1</b>		<b>-3,949</b>	<b>10,702</b>	<b>-14,651</b>	
<b>RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 2 - A UK coinage	29,700	4,200	500	3,700	33,400
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 2 - B UK coinage	6,782	-3,935	-	-3,935	2,847
<b>Total RfR 2</b>		<b>265</b>	<b>500</b>	<b>-235</b>	
<b>RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 3 - A Office of Government Commerce	41,753	15,212	325	14,887	56,640
<b>Total RfR 3</b>		<b>15,212</b>	<b>325</b>	<b>14,887</b>	
<b>Total Changes to RfRs</b>		<b>11,528</b>	<b>11,527</b>	<b>1</b>	

£'000

	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	7,200	-365	6,835
Non-Operating A in A	-	1,380	1,380
<b>Net cash requirement</b>	<b>216,384</b>	<b>8,462</b>	<b>224,846</b>

## 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	
<b>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</b>								
121,772	119,500	3,095	244,367	17,715	226,652	2,575	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Core Treasury								
109,190	19,250	-	128,440	12,407	116,033	1,815	-	
B Debt Management Office								
12,000	3,800	-	15,800	5,308	10,492	760	-	
C Parliament and Privy Council								
-	-	3,095	3,095	-	3,095	-	-	
D Statistics Commission								
-	1,350	-	1,350	-	1,350	-	-	
E Royal Mint								
582	-	-	582	-	582	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
F Investment in Bank of England								
-	94,600	-	94,600	-	94,600	-	-	
G HMS Sussex artefacts								
-	500	-	500	-	500	-	-	
<b>RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage</b>								
-	36,747	-	36,747	500	36,247	-	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A UK coinage								
-	33,900	-	33,900	500	33,400	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
B UK coinage								
-	2,847	-	2,847	-	2,847	-	-	
<b>RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis</b>								
60,140	11,509	-	71,649	15,009	56,640	4,260	1,380	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Office of Government Commerce								
60,140	11,509	-	71,649	15,009	56,640	4,260	1,380	
<b>Total for Estimate:</b>								
181,912	167,756	3,095	352,763	33,224	319,539	6,835	1,380	



## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>319,538</b>	<b>1</b>	<b>319,539</b>
<b>Voted capital items</b>			
Capital expenditure	7,200	-365	6,835
<i>Less: non-operating A in A</i>	<u>-</u>	<u>1,380</u>	<u>1,380</u>
<b>Total net voted capital</b>	<b>7,200</b>	<b>-1,745</b>	<b>5,455</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-101,745	3,780	-97,965
Depreciation	-15,181	8,663	-6,518
New provisions and adjustments to previous provisions	1,665	-4,544	-2,879
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-432	-492
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	2,402	2,402
Increase(-)/decrease (+) in creditors	-	511	511
Use of provisions	<u>4,967</u>	<u>-174</u>	<u>4,793</u>
<b>Total accruals to cash adjustments</b>	<b>-110,354</b>	<b>10,206</b>	<b>-100,148</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>216,384</b>	<b>8,462</b>	<b>224,846</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	70,548	-	79,550	<i>70,000</i>
Non-operating income not classified as A in A	-	-	13,000	<i>13,000</i>
Other amounts collectable on behalf of the Consolidated Fund	1,341	-	1,341	<i>1,341</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b><u>71,889</u></b>	<b><u>-</u></b>	<b><u>93,891</u></b>	<b><u><i>84,341</i></u></b>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	112,320	
RfR 2	-	
RfR 3	46,521	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>158,841</b>
<b>Net Programme Costs</b>		
RfR 1	34,782	
RfR 2	36,247	
RfR 3	10,119	
Non-voted expenditure	17,577	
	<hr/>	
<b>Total Net Programme costs</b>		<b>98,725</b>
<b>Total Net Operating Cost</b>		<b>257,566</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>319,539</b>
CFERs		-79,550
Non-voted expenditure		17,577
<b>Resource Budget Outturn</b>		<b>307,725</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>319,539</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	17,577
Consolidated Fund extra receipts (CFERS) in the OCS	-79,550
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>257,566</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	26,159
resource consumption of non departmental public bodies	-
unallocated resource provision	5,778
Other adjustments	18,222
<b>Resource Budget Outturn (Budget)</b>	<b>307,725</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	256,978
Annually Managed Expenditure (AME)	50,747

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>5,455</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>5,455</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,455
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.

<b>Request for Resources 1</b>	Nicholas Macpherson, Principal Accounting Officer and permanent head of department
<b>Request for Resources 2</b>	Nicholas Macpherson, Principal Accounting Officer and permanent head of department
<b>Request for Resources 3</b>	John Oughton, Additional Accounting Officer and 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 HM Treasury'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 his responsibilities for the assigned RfRs, 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 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 HM Treasury'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 and with their Ministers, together with their respective responsibilities, is set out in writing.

## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>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</b>		
Charges for courses, services provided by the Economist Group Management Unit and officers loaned to other organisations, sales of publications, receipts from the European Union; costs from minor occupiers; recovery actions in connection with Barlow Clowes; administration of Pool Re; receipts of fees for use of conference facilities in 1 Horse Guards Road and European Fast Stream income from Cabinet Office	4,802	-
Fees and charges for services provided by the OPG	6,500	-
Other core Treasury programme income	1,105	-
Income due to the Debt Management Office for data provision, management and administration of certain public and private funds and provision of a lending service to local authorities	2,350	-
Income due to the Debt Management Office for gilt issuance costs	2,958	-
<b>Total RfR 1</b>	<b>17,715 *</b>	<b>-</b>
* 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, fees and charges for services provided by the OPG.		
<b>RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage</b>		
Sale of scrap metal	500	-
<b>Total RfR 2</b>	<b>500 *</b>	<b>-</b>
<b>RfR 3: Obtaining the best value for money from Government's commercial relationships on a sustainable basis</b>		
Consultancy and other customer services	13,619	-
Temporary hiring of vacant property, sale of fixed assets and the OGC buying.solutions dividend	1,390	1,380
<b>Total RfR 3</b>	<b>15,009 *</b>	<b>1,380 **</b>
* 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.		
** Amount that may be applied as non-operating appropriations in aid arising from income from the sale of fixed assets		
<b>Total A in A</b>	<b>33,224</b>	<b>1,380</b>
<i>of which: Administration budgets</i>	<i>20,771</i>	<i>-</i>

## Notes to the Estimate (*continued*)

### Analysis of Consolidated Fund Extra Receipts (CFERs)

		£'000	
		2005-06 provision	
		Income	Receipts
Current investments (operating income)	●	-	-
Fixed investments (operating income)	Δ	77,250	67,700
Other		15,300	15,300
Current investments (non-operating income)	Φ	-	-
Civil list	Φ	1,341	1,341
OPG	●	-	-
<b>Total</b>		<b>93,891</b>	<b>84,341</b>

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, HM Treasury's Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	914	221,592	35,386	256,978
<i>of which : Administration Budget</i>	-5,313	161,141	400	161,541
Capital	-1,745	5,455	-	5,455
Depreciation*	8,663	-6,518	-	-6,518
<b>Total</b>	<b>7,832</b>	<b>220,529</b>	<b>35,386</b>	<b>255,915</b>

\*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  
34,604

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 subhead contains provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

RfR	Subhead	Service	£'000
RfR1	A2	Reinstatement of gilt holding	100

# 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 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:**

##### Take up non-cash resource end year flexibility entitlement

- |    |  |            |
|----|--|------------|
| 1. | Subhead A1<br>£20,000,000 in administration costs, as set out in the Public Expenditure Outturn White Paper (Cm6639) | 20,000,000 |
|----|--|------------|

##### Transfers from other government departments

- |    |   |           |
|----|---|-----------|
| 1. | Subhead A1<br>Administration costs from the Cabinet Office in respect of Parliamentary Counsel Office funding | 1,974,000 |
|----|---|-----------|

##### Decrease in the level of income

- |    |   |         |
|----|---|---------|
| 1. | Subhead A5<br>A decrease to the level of voted programme National Insurance Fund (NIF) receipts, offset by a reduction in non-voted NIF expenditure | 423,000 |
|----|---|---------|

##### Increase to Annually Managed Expenditure

- |    |  |            |
|----|--|------------|
| 1. | Subhead B3<br>Increase to reflect revisions to AME forecasts in respect of e-filing incentive payments | 25,000,000 |
|----|--|------------|

#### **Decreases:**

##### Transfers to other government departments

- |    |   |          |
|----|---|----------|
| 1. | Subhead A2<br>Programme expenditure transfers to the Department for Transport in respect of a transfer of work; and to the Security and Intelligence Agencies for computer based capability | -725,000 |
|----|---|----------|

#### **Neutral Changes:**

##### Increased spending offset by income

- |    |  |   |
|----|--|---|
| 1. | Subheads A1 and A5<br>To increase the levels of administration costs and income by £51,604,000 | - |
|----|--|---|

##### Transfers within the RfR

##### Subheads A1 and A2

Transfer from administration costs to programme expenditure of £15,000,000

##### Draw down of Departmental Unallocated Provision

- |    |  |   |
|----|--|---|
| 1. | Subhead A7<br>To take up £3,400,000 of resource Departmental Unallocated provision and vire into capital | - |
|----|--|---|

**Total changes in resources for RfR1                    46,672,000**

## Introduction *(continued)*

### RfR 3: Providing payments in lieu of tax relief to certain bodies

**Decreases:**

	<u>Decrease in Annually Managed Expenditure</u>	
1.	Subhead A3	-10,000,000
	Decrease to reflect a revision to the AME costs	
	<b>Total changes in resources for RfR3</b>	<b>-10,000,000</b>

### RfR 5: Payments of Child benefits and Child Trust Fund endowments

**Increases:**

	<u>Increase to Annually Managed Expenditure</u>	
	Subhead A3	23,964,000
	Increases to reflect revisions to AME costs in respect of Child Benefit	
	<b>Total change in resources for RfR 5</b>	<b>23,964,000</b>
	<b>Total change in resources for Estimate</b>	<b>60,636,000</b>

### Changes in capital

**RfR 1: Administering the tax and customs control systems fairly and efficiently making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credits and other entitlements**

	<u>Transfers from Departmental Unallocated provision</u>	
1	Subhead A7	3,400,000
	Virement from resource Departmental unallocated provision to capital	
	<u>Neutral change</u>	
1	Subheads A7 and A8	-
	To increase the levels of capital expenditure and income by £691,000	
	<b>Total changes in capital for Estimate</b>	<b>3,400,000</b>

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £44,036,000.
3. Symbols are explained in the Introduction to this booklet.



**Part I**

£

<b>RfR 1: Administering the tax and customs control systems fairly and efficiently 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</b>	†	<b>46,672,000</b>
<b>RfR 3: Providing payments in lieu of tax relief to certain bodies</b>	†	<b>-10,000,000</b>
<b>RfR 5: Payments of Child Benefit and Child Trust Fund endowments</b>		<b>23,964,000</b>
Total additional net resource requirement		60,636,000
<b>Additional net cash requirement</b>		<b>44,036,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by HM Revenue and Customs on:

**RfR 1: Administering the tax and customs control systems fairly and efficiently 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, collection of direct and indirect taxes, duties and levies, Shipbuilders' Relief, new tax credits, National Insurance Contributions, Child Benefit and the Child Trust Fund, Lorry Road User Charge, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; the operation of customs controls including prohibitions and restrictions; the provision of trade information; 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 Customs National Museum; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies, and overseas tax administrations.

**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.

**RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies**

rates paid by HM Revenue and Customs Department 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.

**RfR 5: Payments of Child Benefit and Child Trust Fund endowments**

payments of Child Benefit, Child Trust funds and the associated non-cash items.

The HM Revenue and Customs will account for this Estimate.

† The reduction in the net resource requirement for RfR3 of £ 10,000,000 reflects 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
<b>RfR 1: Administering the tax and customs control systems fairly and efficiently 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</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration	4,300,639	72,853	51,181	21,672	4,322,311
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - B e-filing incentive payments	228,000	25,000	-	25,000	253,000
<b>Total RfR 1</b>		<b>97,853</b>	<b>51,181</b>	<b>46,672</b>	
<b>RfR 3: Providing payments in lieu of tax relief to certain bodies</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 3 - A Payments in lieu of tax relief	90,000	-10,000	-	-10,000	80,000
<b>Total RfR 3</b>		<b>-10,000</b>	<b>-</b>	<b>-10,000</b>	
<b>RfR 5: Payments of Child Benefit and Child Trust Fund endowments</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 5 - A Children's benefits	9,838,462	23,964	-	23,964	9,862,426
RfR 5 - B Child Trust Fund Endowments	240,000	-	-	-	240,000
<b>Total RfR 5</b>		<b>23,964</b>	<b>-</b>	<b>23,964</b>	
<b>Total Changes to RfRs</b>		<b>111,817</b>	<b>51,181</b>	<b>60,636</b>	

	Present Provision	Change in Provision	£000 New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	374,849	4,091	378,940
Non-Operating A in A	3,980	691	4,671
<b>Net cash requirement</b>	<b>15,487,749</b>	<b>44,036</b>	<b>15,531,785</b>

**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
<b>RfR 1: Administering the tax and customs control systems fairly and efficiently 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</b>							
4,630,548	175,951	256,435	5,062,934	487,622	4,575,312	362,748	4,509
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A Administration							
4,630,548	172,451	3,435	4,806,434	484,123	4,322,311	362,748	4,509
<b>Spending in Annually Managed Expenditure (AME)</b>							
<i>Central Government spending</i>							
B e-filing incentive payments							
-	-	253,000	253,000	-	253,000	-	-
<b>Non-budget</b>							
C Operational local clearance problems							
-	3,500	-	3,500	3,499	1	-	-
<b>RfR 2: Growing a contribution to the good management of property where the public interest is involved</b>							
239,257	-	-	239,257	239,256	1	16,192	162
<b>Spending in Departmental Expenditure Limits (DEL)</b>							
<i>Central Government spending</i>							
A Administration							
239,257	-	-	239,257	239,256	1	16,192	162
<b>RfR 3: Providing payments in lieu of tax relief to certain bodies</b>							
-	-	80,000	80,000	-	80,000	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>							
<i>Central Government spending</i>							
A Payments in lieu of tax relief							
-	-	80,000	80,000	-	80,000	-	-
<b>RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies</b>							
-	39,579	-	39,579	4,161	35,418	-	-
<b>Spending in Annually Managed Expenditure (AME)</b>							
<i>Central Government spending</i>							
A Payments of Local Authority rates							
-	39,579	-	39,579	4,161	35,418	-	-
<b>RfR 5: Payments of Child Benefit and Child Trust Fund endowments</b>							
-	-	10,102,426	10,102,426	-	10,102,426	-	-

**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	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
A Children's benefits								
-	-	9,862,426	9,862,426	-	9,862,426	-	-	
B Child Trust Fund Endowments								
-	-	240,000	240,000	-	240,000	-	-	
<b>Total for Estimate:</b>								
<b>4,869,805</b>	<b>215,530</b>	<b>10,438,861</b>	<b>15,524,196</b>	<b>731,039</b>	<b>14,793,157</b>	<b>378,940</b>	<b>4,671</b>	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>14,732,521</b>	<b>60,636</b>	<b>14,793,157</b>
<b>Voted capital items</b>			
Capital expenditure	374,849	4,091	378,940
<i>Less: non-operating A in A</i>	<u>3,980</u>	<u>691</u>	<u>4,671</u>
<b>Total net voted capital</b>	<b>370,869</b>	<b>3,400</b>	<b>374,269</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-25,362	-638	-26,000
Depreciation	-164,137	-19,362	-183,499
New provisions and adjustments to previous provisions	-36,800	-	-36,800
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520	-	-520
Increase(+)/decrease (-) in stock	-400	-	-400
Increase(+)/decrease (-) in debtors	35,006	-	35,006
Increase(-)/decrease (+) in creditors	-70,861	-	-70,861
Use of provisions	<u>647,433</u>	<u>-</u>	<u>647,433</u>
<b>Total accruals to cash adjustments</b>	<b>384,359</b>	<b>-20,000</b>	<b>364,359</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>15,487,749</b>	<b>44,036</b>	<b>15,531,785</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
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	205,000	<i>205,000</i>	338,600	<i>210,000</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
<b>Total</b>	<b>205,000</b>	<b><i>205,000</i></b>	<b>338,600</b>	<b><i>210,000</i></b>

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	4,511,360	
RfR 2	1	
RfR 3	-	
RfR 4	-	
RfR 5	-	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>4,511,361</b>
<b>Net Programme Costs</b>		
RfR 1	63,952	
RfR 2	-	
RfR 3	80,000	
RfR 4	35,418	
RfR 5	10,102,426	
	<hr/>	
<b>Total Net Programme costs</b>		<b>10,281,796</b>
<b>Total Net Operating Cost</b>		<b>14,793,157</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>14,793,157</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>28,010,821</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>14,793,157</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>14,793,157</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	15,501
Other adjustments	13,202,164
<b>Resource Budget Outturn (Budget)</b>	<b>28,010,821</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,677,974
Annually Managed Expenditure (AME)	23,332,847

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>374,269</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	2,977
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>377,246</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	377,246
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.

<b>Request for Resources 1</b>	Paul Gray, Deputy Chairman of HM Revenue and Customs and Additional Accounting Officer
<b>Request for Resources 2</b>	Andrew Hudson, Chief Executive of the Valuation Office Agency and Additional Accounting Officer
<b>Request for Resources 3</b>	David Hartnett, Director General Policy and Additional Accounting Officer
<b>Request for Resources 4</b>	Andrew Hudson, Chief Executive of the Valuation Office Agency and Additional Accounting Officer
<b>Request for Resources 5</b>	Paul Gray, Deputy Chairman of HM Revenue and Customs and Additional Accounting Officer

David Varney as the Principal Accounting Officer (PAO) of HM Revenue and Customs has personal responsibility for the proper presentation of HM Revenue and Customs' 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 an assigned RfRs, 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 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 HM Revenue and Customs' policies, aims, and objectives; and should regularly review the effectiveness of that system.

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



## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non- operating A in A
<b>RfR 1: Administering the tax and customs control systems fairly and efficiently 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</b>		
Recovery of costs of collecting NICs	354,506	-
Receipts from sale of assets	-	4,509
Receipts from certain tax penalties	35,604	-
Receipts from VOA, other government departments and other bodies	19,492	-
Other miscellaneous receipts	52,113	-
Income from charges for special attendance	60	-
Income from recovery of costs and expenses	8,230	-
Income from international commitment charges	2,343	-
Income from the sale of certificates and statistical services	326	-
Income from Estate Management services	6,955	-
Income from Shipbuilders' relief	600	-
Local clearance procedure receipts	3,499	-
Fees from money laundering regulatory regime	3,894	-
<b>Total RfR 1</b>	<b>487,622 *</b>	<b>4,509 **</b>

\* Amount that may be applied as 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; Lorry Road User charge development receipts, 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; 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.

\*\* 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

Recovery of costs of rating and valuation services	239,256	-
Receipts from sale of assets	-	162
<b>Total RfR 2</b>	<b>239,256 *</b>	<b>162 **</b>

\* Amount that may be applied as appropriations in aid in addition to the net total arising from: the recovery of costs of valuation and other services; receipts from the sale of certain official cars; receipts from the sale information and publications; recovery of law costs; rent receipts from other government departments and private tenants; other administration costs receipts.

\*\* Amount that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of assets.

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**Notes to the Estimate (*continued*)**
**Analysis of appropriations in aid (A in A)**

	£'000	
	2005-06 Provision	
	Operating	Non-
	A in A	operating
	<u>A in A</u>	<u>A in A</u>
#REF!		
Repayments by Commonwealth and foreign countries and international organisations	4,161	-
<b>Total RfR 4</b>	<b>4,161</b> *	-
* Amount that may be applied as 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.		
<b>Total A in A</b>	<b>731,039</b>	<b>4,671</b>
<i>of which: Administration budgets</i>	<i>119,188</i>	

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## Analysis of Consolidated Fund Extra Receipts (CFERs)

		£'000	
		2005-06 provision	
		Income	Receipts
Fines and penalties	●	320,500	191,900
Proceeds, less duty, on sales of seized assets	●	3,300	3,300
Bank interest	●	1,000	1,000
Other miscellaneous receipts	●	13,800	13,800
<b>Total</b>		<b>338,600</b>	<b>210,000</b>

## Departmental Expenditure Limits and Administration Budgets

As announced by the Chancellor of the Exchequer to the House of Commons, HM Revenue and Customs Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	17,849	4,322,312	355,662	4,677,974
<i>of which :Administration Budget</i>	<i>3,574</i>	<i>4,511,361</i>	<i>15,501</i>	<i>4,526,862</i>
Capital	3,400	374,269	2,977	377,246
Depreciation*	-19,362	-183,499	-	-183,499
<b>Total</b>	<b>1,887</b>	<b>4,513,082</b>	<b>358,639</b>	<b>4,871,721</b>

\*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  
735,710

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:

Subhead	Service	■	£'000
A2	The provision of Capital Grants for Tax Stamps		3,000



# National Savings and Investments

## Introduction

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

**Changes in resources**

Amount £

**RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future**

**Increases:**

**Take up of End Year Flexibility**

1. Section A	£2,500,000
take up of DEL administration costs end year flexibility of £2,500,000 for further support to the major projects in National savings and investments modernisation	
Increase to the level of Operating Appropriations in Aid for increase in rental income (corresponding expenditure)	£400,000

**Decreases:**

**Increase in level of Appropriations in Aid**

increase to the level of Operating Appropriations in Aid for increase in rental income	-£400,000
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**Total change in resources for RfR1** £2,500,000

**Total change in resources for Estimate** £2,500,000

2. As a result of the above changes the net cash requirement will increase by £ 2,500,000 from £ 177,673,000 to £ 180,173,000
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

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<b>RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future</b>	<b>2,500,000</b>
Total additional net resource requirement	2,500,000
<b>Additional net cash requirement</b>	<b>2,500,000</b>

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by National Savings and Investments on:

**RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future**

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

National Savings and Investments will account for this Estimate.

## Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - A Administration	179,794	2,900	400	2,500	182,294
<b>Total RfR 1</b>		<b>2,900</b>	<b>400</b>	<b>2,500</b>	
<b>Total Changes to RfRs</b>		<b>2,900</b>	<b>400</b>	<b>2,500</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	500	-	500
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>177,673</b>	<b>2,500</b>	<b>180,173</b>

**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	
<b>RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future</b>								
187,544	-	-	187,544	5,250	182,294	500	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
187,544	-	-	187,544	5,250	182,294	500	-	
<b>Total for Estimate:</b>								
187,544	-	-	187,544	5,250	182,294	500	-	



## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>179,794</b>	<b>2,500</b>	<b>182,294</b>
<b>Voted capital items</b>			
Capital expenditure	500	-	500
<i>Less:</i> non-operating A in A	-	-	-
<b>Total net voted capital</b>	<b>500</b>	<b>-</b>	<b>500</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-1,108	-	-1,108
Depreciation	-2,970	-	-2,970
New provisions and adjustments to previous provisions	-893	-	-893
Profit (+) / loss (-) on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-500	-	-500
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-450	-	-450
Increase(-)/decrease(+) in creditors	2,400	-	2,400
Use of provisions	900	-	900
<b>Total accruals to cash adjustments</b>	<b>-2,621</b>	<b>-</b>	<b>-2,621</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>177,673</b>	<b>2,500</b>	<b>180,173</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net administration costs</b>		
	RfR 1	<u>182,294</u>
<b>Total Net Administration Costs</b>		<b>182,294</b>
<b>Net Programme Costs</b>		
	RfR 1	<u>-</u>
<b>Total Net programme costs</b>		<b>-</b>
<b>Total Net Operating Cost</b>		<b>182,294</b>
<i>of which:</i>		
	<b>Net Resource Outturn</b>	<b>182,294</b>
	CFERs	-
	Non-voted expenditure	-
<b>Resource Budget Outturn</b>		<b>182,294</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>182,294</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>182,294</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>182,294</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	182,294
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>500</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>500</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	500
Annually Managed Expenditure (AME)	-

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## 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**      Alan Cook, permanent head of department

Alan Cook, as the Accounting Officer (AO) of the National Savings and Investment has personal responsibility for the proper presentation of the National Savings and Investments' 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 the assigned RfR, remains in general overall charge of National Savings and Investments.

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 National and Investments' policies, aims and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non- operating A in A
<b>RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future</b>		
Accommodation rental receipts	5,250	-
<b>Total RfR 1</b>	<b>5,250</b> *	-
<i>of which: Administration budgets</i>	-	-
** Amount that may be applied as appropriation in aid in addition to the net total, arising from rent receipts.		
<b>Total A in A</b>	<b>5,250</b>	-

## Notes to the Estimate

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the National Savings and Investments Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource DEL	2,500	182,294	-	182,294
<i>of which : Administration Budget</i>	<i>2,500</i>	<i>182,294</i>	-	<i>182,294</i>
Capital DEL	-	500	-	500
Less depreciation *	-	-2,970	-	-2,970
<b>Total DEL</b>	<b>2,500</b>	<b>179,824</b>	<b>-</b>	<b>179,824</b>

\* 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

5,250

# Office for National Statistics

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Providing statistical and registration services**

##### **Increases:**

##### Transfer from non-voted spending

To draw down £100,000 (administration) Departmental Unallocated Provision to meet in year pressures and to draw down £9,200,000 (administration) Departmental Unallocated Provision, previously held for ONS' Statistical Modernisation Programme, for used instead on the Registration Review (£4.5m), Allsop (£1.0m), Voluntary Early Severance (£2.1m) and Relocation costs (£1.6m) 9,300,000

##### Transfer from Central Funds

Transfer of £100,000 (administration) from HMT's Evidence-Based Policy Fund in respect of the Wealth and Assets Survey. 100,000

##### Transfer from other government department

Transfer of £78,000 (administration) from GAD in respect of the transfer of GAD's demographic responsibilities to ONS 78,000

**Total change in resources for RfR1** 9,478,000

### Changes in capital

##### Transfer from non-voted spending

To draw down £6,500,000 (capital) Departmental Unallocated Provision, previously held for ONS' Statistical Modernisation Programme, for use instead on the Registration Review. 6,500,000

**Total changes in capital** 6,500,000

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £ 13,913,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Providing statistical and registration services</b>	*	<b>9,478,000</b>
Total additional net resource requirement		9,478,000
<b>Additional net cash requirement</b>		<b>13,913,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office for National Statistics 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.

\* The demographic function was transferred from GAD on 31 January 2006. Within the overall changes sought on this Estimate, the specific changes relation to this machinery of government transfer are: i) the net resource requirement is increased by £ 78,000; and (ii) the net cash requirement is increased by £ 78,000.



## Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Providing statistical and registration services</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - A Administration	161,624	9,478	-	9,478	171,102
<b>Total RfR 1</b>		<b>9,478</b>	<b>-</b>	<b>9,478</b>	
<b>Total Changes to RfRs</b>		<b>9,478</b>	<b>-</b>	<b>9,478</b>	

	£000		
	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	21,320	6,500	27,820
Non-Operating A in A	250	-	250
<b>Net cash requirement</b>	<b>164,131</b>	<b>13,913</b>	<b>178,044</b>

**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	
<b>RfR 1: Providing statistical and registration services</b>								
214,552	550	-	215,102	45,000	170,102	27,820	250	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
214,552	550	-	215,102	44,000	171,102	27,820	250	
<b>Non-budget</b>								
B EU receipts								
-	-	-	-	1,000	-1,000	-	-	
<b>Total for Estimate:</b>								
214,552	550	-	215,102	45,000	170,102	27,820	250	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>160,624</b>	<b>9,478</b>	<b>170,102</b>
<b>Voted capital items</b>			
Capital expenditure	21,320	6,500	27,820
<i>Less:</i> non-operating A in A	<u>250</u>	<u>-</u>	<u>250</u>
<b>Total net voted capital</b>	<b>21,070</b>	<b>6,500</b>	<b>27,570</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,000	-	-3,000
Depreciation	-15,500	-	-15,500
New provisions and adjustments to previous provisions	-	-4,093	-4,093
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-151	-	-151
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>1,088</u>	<u>2,028</u>	<u>3,116</u>
Total accruals to cash adjustments	<b>-17,563</b>	<b>-2,065</b>	<b>-19,628</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>164,131</b>	<b>13,913</b>	<b>178,044</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
	RfR 1	<u>170,552</u>
<b>Total Net Administration Costs</b>		<b>170,552</b>
<b>Net Programme Costs</b>		
	RfR 1	<u>-450</u>
<b>Total net programme costs</b>		<b>-450</b>
<b>Total Net Operating Cost</b>		<b>170,102</b>
<i>of which:</i>		
	<b>Net Resource Outturn</b>	<b>170,102</b>
	CFERs	-
	Non-voted expenditure	-
<b>Resource Budget Outturn</b>		<b>171,102</b>
<hr/>		

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>170,102</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>170,102</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	1,000
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
<b>other Consolidated Fund Extra Receipts</b>	-
<b>resource consumption of non-departmental public bodies</b>	-
<b>unallocated resource provision</b>	-
Other adjustments	-
<b>Resource Budget Outturn (Budget)</b>	<b>171,102</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	171,102
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>27,570</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>27,570</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	27,570
Annually Managed Expenditure (AME)	-

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## Office for National Statistics

### 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, the Director of the Office for National Statistics

Karen Dunnell, the Accounting Officer (AO) of the Office for National Statistics, has personal responsibility for the proper presentation of the Office for National Statistics' 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 the assigned RfR, 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 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 Office for National Statistics' policies, aims and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Providing statistical and registration services</b>		
Fees for searches, verifications and certified copies of register entries	13,047	-
Repayment services	29,400	-
Receipts from the sale of data, publications etc.	2,485	-
Receipts from the EU and other overseas contracts	42	-
Car Leasing scheme for the Registration inspectorate	26	-
Sale of surplus assets	-	250
<b>Total RfR 1</b>	<b>45,000 *</b>	<b>250 **</b>
<i>of which: Administration budgets</i>	-	-
** Amount that may be applied as appropriation in aid in addition to the net total, arising from: the sale of statistical information publications and other services to other departments, the European Union and the public.		
** Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of surplus assets.		
<b>Total A in A</b>	<b>45,000</b>	<b>250</b>

## Notes to the Estimate

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Office for National Statistics' Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	178	171,102	-	171,102
<i>of which :Administration Budget</i>	<i>178</i>	<i>170,552</i>	<i>-</i>	<i>170,552</i>
Capital DEL	-	27,570	-	27,570
Less depreciation *	-	-15,500	-	-15,500
<b>Total DEL</b>	<b>178</b>	<b>183,172</b>	<b>-</b>	<b>183,172</b>

\* 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	45,420



# Government Actuary's Department

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Providing an actuarial consultancy service**

#### **Decreases:**

##### Transfer to other Government Departments

Machinery of Government transfer to the Office of National Statistics totalling £78,000 (all resource expenditure) -78,000

To meet the recommendation of the "Morris Review of the Actuarial Profession" to transfer the demography function from the Government Actuary's Department to the Office of National Statistics

#### **Neutral Changes:**

##### Increased spending offset by income

##### Administration Costs

To increase gross spending by £930,000 operational costs matched by a similar increase in Appropriations in Aid 0

**Total change in resources for Estimate -78,000**

2. As a result of the above and associated non-cash adjustments, there is a decrease in the net cash requirement of £78,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Providing an actuarial consultancy service</b>	†	<b>-78,000</b>
Total additional net resource requirement		-78,000
<b>Additional net cash requirement</b>	†	<b>-78,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Government Actuary's Department on:

**RfR 1: Providing an actuarial consultancy service**

administration costs incurred in providing an actuarial consultancy service to Government and to other clients principally in the public sector, advising mainly on social security and pension schemes, statistical studies and supervision of insurance and other associated non-cash items.

The **Government Actuary's Department** will account for this Estimate.

† The demography function was transferred to the Office of National Statistics on 31st January 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) for RfR1, the net resource requirement is reduced by £ 78,000,
- b) for the Estimate as a whole, the net cash requirement is reduced by £ 78,000.

## Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Providing an actuarial consultancy service</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
<i>Central Government spending</i>					
RfR 1 - A Administration	1,127	852	930	-78	1,049
<b>Total RfR 1</b>		<b>852</b>	<b>930</b>	<b>-78</b>	
<b>Total Changes to RfRs</b>		<b>852</b>	<b>930</b>	<b>-78</b>	

	£000		
	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	238	-	238
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>807</b>	<b>-78</b>	<b>729</b>

**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	
<b>RfR 1: Providing an actuarial consultancy service</b>								
11,618	-	-	11,618	10,569	1,049	238	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
11,618	-	-	11,618	10,569	1,049	238	-	
<b>Total for Estimate:</b>								
11,618	-	-	11,618	10,569	1,049	238	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>1,127</b>	<b>-78</b>	<b>1,049</b>
<b>Voted capital items</b>			
Capital expenditure	238	-	238
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>238</b>	<b>-</b>	<b>238</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-108	-	-108
Depreciation	-422	-	-422
New provisions and adjustments to previous provisions	-1	-	-1
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-36	-	-36
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>9</u>	<u>-</u>	<u>9</u>
Total accruals to cash adjustments	<b>-558</b>	<b>-</b>	<b>-558</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>807</b>	<b>-78</b>	<b>729</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
	RfR 1	<u>728</u>
<b>Total Net Administration Costs</b>		<b>728</b>
<b>Net Programme Costs</b>		
	RfR 1	<u>-</u>
<b>Total net programme costs</b>		<b>-</b>
<b>Total Net Operating Cost</b>		<b>728</b>
<i>of which:</i>		
	<b>Net Resource Outturn</b>	<b>1,049</b>
	CFERs	-
	Non-voted expenditure	-
<b>Resource Budget Outturn</b>		<b>728</b>
<hr/>		

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>1,049</b>
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Reduction to reflect underspending and Gershon savings	-321
<b>Net Operating Costs (Accounts)</b>	<b>728</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>728</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	728
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>238</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	200
<b>Capital Budget Outturn (Budget)</b>	<b>438</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	438
Annually Managed Expenditure (AME)	-

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## 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**      Chris Daykin, permanent head of department

Chris Daykin, the Accounting Officer (AO) of the Government Actuary's Department, has personal responsibility for the proper presentation of the Government Actuary's 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, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Government Actuary's Department.

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 Government Actuary's Department's policies, aims and objectives; and should regularly review the effectiveness of that system.



## Notes to the Estimate

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Providing an actuarial consultancy service</b>		
Fees and charges to other Government Departments	5,419	-
Fees and charges to the wider public service	5,150	-
<b>Total RfR 1</b>	<b>10,569</b> *	- **
<i>of which: Administration budgets</i>	-	-
** Amount that may be applied as appropriation in aid in addition to the net total, arising from: receipts for payments for actuarial, internal audit, accommodation and facilities management, financial/payroll and IT services.		
<b>Total A in A</b>	<b>10,569</b>	-
<i>of which: Administration Budgets</i>	-	-

## Notes to the Estimate

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Government Actuary's Department Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-399	728	-	728
<i>of which :Administration Budget</i>	-399	728	-	728
Capital DEL	200	438	-	438
Less depreciation*	-	-422	-	-422
<b>Total DEL</b>	-199	744	-	744

\* 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

10,569

# Cabinet Office

## Introduction

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

	Amount £
<b>RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives</b>	

### Changes in resources

#### Decreases:

#### Machinery of Government Transfer ( MoG)

1. Administration costs £914,000 RfR:Subhead A1 Transfer of Government Social Research Unit from Cabinet Office to HM Treasury	-914,000
2. Administration costs £2,097,000 RfR:Subhead A1 Transfer of Whips Lords and Whips Common Office to the Privy Council Office	-2,097,000

#### Neutral Changes:

#### Increase in spending offset by income

1. Adjustment to Administration costs and Appropriations in Aid £99,000 RfR:Subheads A1:A5 Contributions from Home Office to fund the Diversity Awards Events	
2. Adjustment to Administration costs and Appropriations in Aid £843,000 RfR:Subheads A1:A5 Additional income from the Cabinet Office Civil Superannuation Vote relating to central management costs of pensions schemes	
3. Adjustment to Administration costs and Appropriations in Aid £297,000 RfR:Subheads A1:A5 Contribution from the Sector Skills Development Agency to fund the Central Government Sector Skills Council	
4. Adjustment to Administration costs and Appropriations in Aid £227,000 RfR:Subheads A1:A5 Recharges from Privy Council Office to cover cost of services provided by the Cabinet Office	

# Cabinet Office

## Introduction (*continued*)

- 5 Adjustment to programme costs and Appropriations in Aid  
£212,000  
RfR:Subheads A2:A5  
Increase in contributions from other Governments departments to fund the Information Assurance Technical Programme ( IATP)
- 6 Adjustment to Administration costs and Appropriations in Aid  
£680,000  
RfR:Subheads A1:A5  
Adjustment to contributions from other government departments for the costs of Parliamentary Counsel Office.
- 7 Adjustment to programme costs and Appropriations in Aid  
£1,531,000  
RfR:Subheads A2:A5  
Decreases in contributions from other government departments towards building of the government common infrastructure
- 8 Adjustment to Administration costs and Appropriations in Aid  
£17,153  
RfR:Subheads A1:A5  
As part of the Machinery of Government transfer there is a reduction in Administration cost and Appropriations in Aid to remove Government Car and Despatch Agency (GCDA) from Cabinet Office Estimates.

### Transfers within RfR lines

- 1 Adjustment to Capital  
£634,000  
RfR:Subheads A7:B7  
Reallocation of capital from the Cabinet Office to the National School of Government (NSG)
- 2 Adjustment to Administration costs  
£349,000  
RfR:Subheads A1:B1  
Transfer from NSG to Cabinet Office

**Total change in resource for Estimate** -3,011,000

### Changes in capital

#### **Decreases:**

- 1 Adjustment to Capital and non-operating Appropriations in Aid  
£1,110,000 -1,110,000  
RfR:Subheads C7:C8  
As part of the MoG transfer of GCDA £1,260,000 capital spend and £150,000 non-operating Appropriations in Aid will be transferring to the Department of Transport.

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# Cabinet Office

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## Introduction (*continued*)

2	Adjustment to Capital £20,000 RfR:Subhead A7 As part of the MoG transfer of Whips Lords and Whips Commons £20,000 capital will be transferring to the Privy Council Office	-20,000
	<b>Total change in capital for Estimate</b>	<b>-1,130,000</b>

2. As a result of the above and associated non-cash adjustments, there is an decrease in the net cash requirement of £ 4,133,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

<b>RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives</b>	*	<b>-3,011,000</b>
Total additional net resource requirement		-3,011,000
<b>Additional net cash requirement</b>	*	<b>-4,133,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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; other Government Ministers; the offices of the Government Whips in the House of Commons and the House of Lords; 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.

\* The Office of the Chief of the House of Commons and the Office of the Chief Whip of the House of Lords were transferred to the Privy Council Office on 1 February 2006. Within the overall changes sought in this Estimate, the  
i) the net resource requirement is reduced by £ 2,097,000; and  
ii) the net cash requirement is decreased by £ 2,109,000.

\* The Government Social Research Unit transferred to HM Treasury on 13 February 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:  
(i) the net resource requirement is reduced by £ 914,000 and operating appropriations in aid decreased by £ 136,000; and (ii) the net cash requirement is reduced by £ 914,000.

\* The Government Car and Despatch Agency transferred to the Department for Transport on 14 February 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:  
(i) the net resource requirement is unchanged but the gross expenditure and operating appropriations in aid are reduced by £ 17,153,000; and (ii) the net cash requirement is unchanged.

## 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: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

#### Spending in Departmental Expenditure Limits (DEL)

##### Central Government spending

RfR 1 - A	Cabinet Office	224,898	-1,835	827	-2,662	222,236
RfR 1 - B	National School of Government	640	1,099	1,448	-349	291
RfR 1 - C	Government Car and Despatch Agency	-	-17,153	-17,153	-	-

#### Total RfR 1

	-17,889	-14,878	-3,011
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#### Total Changes to RfRs

	-17,889	-14,878	-3,011
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£000

	Present Provision	Change in Provision	New Provision
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#### Capital and Cash

Total Capital Expenditure	25,171	-1,280	23,891
Non-Operating A in A	171	-150	21
<b>Net cash requirement</b>	<b>204,589</b>	<b>-4,133</b>	<b>200,456</b>

## 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	
<b>RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives</b>								
258,171	65,539	3,145	326,855	103,722	223,133	23,891	21	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Cabinet Office								
226,932	65,539	2,539	295,010	72,774	222,236	22,494	21	
B National School of Government								
31,239	-	-	31,239	30,948	291	1,397	-	
C Government Car and Despatch Agency								
-	-	-	-	-	-	-	-	
<i>Support for Local Authorities</i>								
D Emergency planning grants								
-	-	606	606	-	606	-	-	
<b>Total</b>								
258,171	65,539	3,145	326,855	103,722	223,133	23,891	21	



## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>226,144</b>	<b>-3,011</b>	<b>223,133</b>
<b>Voted capital items</b>			
Capital expenditure	25,171	-1,280	23,891
<i>Less: non-operating A in A</i>	<u>171</u>	<u>-150</u>	<u>21</u>
<b>Total net voted capital</b>	<b>25,000</b>	<b>-1,130</b>	<b>23,870</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,000	-	-9,000
Depreciation	-37,338	-	-37,338
New provisions and adjustments to previous provisions	-200	-	-200
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-32	8	-24
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>15</u>	-	<u>15</u>
Total accruals to cash adjustments	<b>-46,555</b>	<b>8</b>	<b>-46,547</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>204,589</b>	<b>-4,133</b>	<b>200,456</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
<b>Net Administration Costs</b>		
	RfR 1	<u>195,831</u>
<b>Total Net Administration Costs</b>		<b>195,831</b>
<b>Net Programme Costs</b>		
	RfR 1	<u>27,302</u>
<b>Total net programme costs</b>		<b>27,302</b>
<b>Total Net Operating Cost</b>		<b>223,133</b>
<i>of which:</i>		
	<b>Net Resource Outturn</b>	<b>223,133</b>
	CFERs	-
	Non-voted expenditure	-
<b>Resource Budget Outturn</b>		<b>222,994</b>
<hr/>		

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>223,133</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>223,133</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-139
<b>Resource Budget Outturn (Budget)</b>	<b>222,994</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	222,994
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>23,870</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-557
<b>Capital Budget Outturn (Budget)</b>	<b>23,313</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	23,313
Annually Managed Expenditure (AME)	-

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## Notes to the Estimate

### 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**      Colin Balmer CB, Accounting Officer and permanent head of department

Colin Balmer CB, as the Accounting Officer (AO) of the Cabinet Office has personal responsibility for the proper presentation of the Cabinet 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 the 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 Cabinet Office's policies, aims and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate

### Analysis of appropriations in aid (A in A)

	£'000	
	Operating A in A	Non operating A in A
	2005-06 Provision	
<b>RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives</b>		
Income from minor occupiers and other accommodation income	3,729	-
Sales of services and goods to other government departments, public bodies and the general public	1,913	-
Income relating to Crown copyright work of HMSO	682	
Income relating to central management costs of pensions schemes	9,908	-
Recovery of costs of Cabinet Office staff and Prime Minister's Office	779	-
Income from the trading activities of the Centre for Management and Policy Studies	30,948	
Investments (loan repayment by Civil Service Sports Council and London Hostels Association)	-	21
Other income	724	
Emergency Planning college receipts for training courses and rent	2,232	
Recovery of costs from other government departments for cost sharing arrangements	52,800	
Recoveries in respect of Honours and Dignities	7	
<b>Total RfR 1</b>	<b>103,722 *</b>	<b>21 **</b>
<i>of which: Administration budgets</i>	-	-
<p>** 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; administration of Crown copyright by HMSO; 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</p> <p>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; receipts from the trading and programme activities of the National School of Government; 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.</p>		
<p>** 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.</p>		
<b>Total A in A</b>	<b>103,722</b>	<b>21</b>

## Notes to the Estimate

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Cabinet Office Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-3,150	222,994	-	222,994
<i>of which :Administration Budget</i>	<i>-3,570</i>	<i>195,831</i>	<i>-</i>	<i>195,831</i>
Capital	-1,687	23,313	-	23,313
Less depreciation *	-	-37,338	-	-
<b>Total DEL</b>	<b>-4,837</b>	<b>208,969</b>	<b>-</b>	<b>208,969</b>

\* 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

103,743

# Security and Intelligence Agencies

## Introduction

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

		Amount
<u>Changes in resources</u>		£
<b>RfR 1: Protecting and promoting the national security and economic well-being of the UK</b>		
<b>Increases:</b>		
<u>Take up of End Year Flexibility</u>		
1	Programme £17,149,000 Programme Section A For the expansion of capacity and capability of the Security and Intelligence Agencies	17,149,000
<u>Transfers from Other Government Departments</u>		
1	Budget transfer from the Foreign and Commonwealth Office £1,309,000 Section A Planned programme and conflict prevention	1,309,000
2	Budget transfer from Home Office £12,250,000 Programme Section A To support expansion of the Security and Intelligence Agencies and to fund the National Infrastructure Security Co-ordination Centre	12,250,000
3	Budget transfer from Her Majesty's Revenue and Customs £18,000 Programme Section A For analytical tools	18,000
<u>Take up of Departmental Unallocated Provision</u>		
1.	Administration, Programme £3,000,000 Administration and £13,600,000 Programme Section A For the expansion of capacity and capability of the Security and Intelligence Agencies	3,000,000 13,600,000
<u>Take up of Reserve Claim</u>		
1	Administration, Programme and Capital Reserve Claim £19,169,000 Administration, £831,000 Programme Section A For use in counter terrorist activities	19,169,000 831,000
<u>Other increases</u>		
1	Transfer from capital to administration £14,961,000 Section A	14,961,000

## Introduction (*continued*)

### Decreases:

#### Budgetary transfers to Other Government Departments

1	Budgetary transfer to Home Office Scientific Development Branch £185,000 Programme Section A For Collaborative Research	-185,000
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### Neutral Changes:

#### Increased Spending Offset by Income

1	Additional operating Appropriations -in-Aid £19,963,000 Section A An increase of Administration which is offset by an increase in operating Appropriations-in-Aid	
2	Additional Operating Appropriations-in-Aid £4,098,000 Section A An increase of Programme which is offset by an increase in operating Appropriations-in-Aid	

**Total changes in resources for RfR1** 82,102,000

### Changes in capital

#### Increases:

#### Take up of End Year Flexibility

1	For the expansion of capacity and capability of the Security and Intelligence Agencies Section A	13,251,000
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#### Take up of Reserve Claim

1	For use in counter terrorist activities Section A	2,600,000
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#### Transfers from Other Government Departments

1	Budgetary transfer from Home Office £530,000 Capital Section A For the purchase of equipment	530,000
2	Budgetary transfer from Cabinet Office £557,000 Capital Section A For purchase of messaging system	557,000



## Introduction (*continued*)

### Neutral Changes:

#### Increased Spending Offset by Income

Additional Non-Operating Appropriations-in-Aid

£60,000

Section A

An increase of Capital which is offset by an increase in non-operating Appropriations-in-Aid

### Decreases:

1	Change of classification from Capital to Administration £14,961,000 Section A Change of classification of capital end year flexibility to administration as agreed in spending review 2004	-14,961,000
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**Total changes in capital for Estimate**                      1,977,000

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £ 107,010,000
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****82,102,000**

Total additional net resource requirement

82,102,000

**Additional net cash requirement****107,010,000**

---

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Protecting and promoting the national security and economic well-being of the UK</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Security and Intelligence Agencies	1,191,560	106,163	24,061	82,102	1,273,662
<b>Total RfR 1</b>		<b>106,163</b>	<b>24,061</b>	<b>82,102</b>	
<b>Total Changes to RfRs</b>		<b>106,163</b>	<b>24,061</b>	<b>82,102</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	244,643	2,037	246,680
Non-Operating A in A	1,883	60	1,943
<b>Net cash requirement</b>	<b>1,234,988</b>	<b>107,010</b>	<b>1,341,998</b>

**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	
<b>RfR 1: Protecting and promoting the national security and economic well-being of the UK</b>								
734,028	614,845	-	1,348,873	75,211	1,273,662	246,680	1,943	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Security and Intelligence Agencies								
734,028	614,845	-	1,348,873	75,211	1,273,662	246,680	1,943	
<b>Total for Estimate:</b>								
734,028	614,845	-	1,348,873	75,211	1,273,662	246,680	1,943	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>1,191,560</b>	<b>82,102</b>	<b>1,273,662</b>
<b>Voted capital items</b>			
Capital expenditure	244,643	2,037	246,680
<i>Less:</i> non-operating A in A	<u>1,883</u>	<u>60</u>	<u>1,943</u>
<b>Total net voted capital</b>	<b>242,760</b>	<b>1,977</b>	<b>244,737</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-33,046	11,399	-21,647
Depreciation	-150,711	15,110	-135,601
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	144	-75	69
Prior period adjustments	-	-	-
Other non-cash items	-17,877	-9,779	-27,656
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	2,158	6,276	8,434
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total accruals to cash adjustments</b>	<b>-199,332</b>	<b>22,931</b>	<b>-176,401</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>1,234,988</b>	<b>107,010</b>	<b>1,341,998</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	669,198	
<b>Total Net Administration Costs</b>		669,198
<b>Net Programme Costs</b>		
RfR 1	604,464	
<b>Total Net Programme costs</b>		604,464
<b>Total Net Operating Cost</b>		1,273,662
<i>of which:</i>		
<b>Net Resource Outturn</b>		1,273,662
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		1,273,662

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>1,273,662</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>1,273,662</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>1,273,662</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,273,662
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>244,737</b>
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	69
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	6,000
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>250,806</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	250,806
Annually Managed Expenditure (AME)	-

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## Notes to the Estimate

### 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, Security and Intelligence co-ordinator

Sir Richard Mottram, as the Principal Accounting Officer (PAO) by being Security and Intelligence co-ordinator has personal responsibility for the proper presentation of the Security and Intelligence Agencies' 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 RfRs, 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 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 Security and Intelligence Agencies' policies, aims and objectives; and should regularly review the effectiveness of that system.



## Notes to the Estimate

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Protecting and promoting the national security and economic well-being of the UK</b>		
Sales of services, etc.	75,211	-
Sale of surplus properties	-	1,943
<b>Total RfR 1</b>	<b>75,211 *</b>	<b>1,943 **</b>
* Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: the sale of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other staff.		
** Amount that may be applied as non-operating appropriation in aid including receipts from: the sale of fixed assets and from the sale of freehold interest and land.		
<b>Total A in A</b>	<b>75,211</b>	<b>1,943</b>
<i>of which: Administration budgets</i>	-	-

## Notes to the Estimate

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Security and Intelligence Agencies' Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	65,502	1,273,662	-	1,273,662
<i>of which :Administration Budget</i>	<i>30,914</i>	<i>669,198</i>	-	<i>669,198</i>
Capital	1,977	244,806	6,000	250,806
Depreciation*	15,110	-135,601	-	-135,601
Total	82,589	1,382,867	6,000	1,388,867

*\*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

77,149

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:

- |   |   |               |
|---|---|---------------|
| 1 | to increase gross provision in section A by £655,000,000 for the provision of pension and other payments to members of the Principal Civil Service Pension Scheme and other pension schemes, partially offset by additional appropriations in aid of £375,000,000 in respect of higher than expected pension contributions. | 280,000,000   |
| 2 | to increase gross provision in section B by £1,103,889,000 for the overnight increase in the schemes' liabilities due to the change in discount rate used to assess the liabilities from 3.5 per cent real to 2.8 per cent real with effect from 1 April 2005.  | 1,103,889,000 |

**Total change in Estimate**                      **1,383,889,000**

2. As a result of the above and non-cash adjustments, there is no change in the net cash requirement of £ 835,000,000.
3. Symbols are explained in the Introduction to this booklet.

---

**Part I**

£

<b>RfR 1: Civil superannuation</b>	<b>1,383,889,000</b>
Total additional net resource requirement	1,383,889,000
<b>Additional net cash requirement</b>	<b>-</b>

---

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Civil superannuation</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - A Civil superannuation	5,643,051	655,000	375,000	280,000	5,923,051
<b>Non-budget</b>					
RfR 1 - B Civil superannuation	9,650,000	1,103,889	-	1,103,889	10,753,889
<b>Total RfR 1</b>		<b>1,758,889</b>	<b>375,000</b>	<b>1,383,889</b>	

	£000		
	Present Provision	Change in Provision	New Provision
<b>Capital and Cash</b>			
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>835,000</b>	-	<b>835,000</b>

**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	
<b>RfR 1: Civil superannuation</b>								
-	20,110,640	10,000	20,120,640	3,443,700	16,676,940	-	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central government spending</i>								
A Civil superannuation								
-	9,356,751	10,000	9,366,751	3,443,700	5,923,051	-	-	
<b>Non-budget</b>								
B Civil superannuation								
-	10,753,889	-	10,753,889	-	10,753,889	-	-	
<b>Total for Estimate:</b>								
-	20,110,640	10,000	20,120,640	3,443,700	16,676,940	-	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>15,293,051</b>	<b>1,383,889</b>	<b>16,676,940</b>
<b>Voted capital items</b>			
Capital expenditure	-	-	-
<i>Less: non-operating A in A</i>	-	-	-
<b>Total net voted capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-18,351,751	-1,758,889	-20,110,640
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	668,000	668,000
Increase(-)/decrease (+) in creditors	7,277	-	7,277
Use of provisions	3,886,423	-293,000	3,593,423
<b>Total accruals to cash adjustments</b>	<b>-14,458,051</b>	<b>-1,383,889</b>	<b>-15,841,940</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>835,000</b>	<b>-</b>	<b>835,000</b>

## 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>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	-	-	100,000	<i>100,000</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	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b><i>100,000</i></b>

## Forecast Combined Revenue Account

		£'000
		2005-06 provision
<b>Income</b>		
Contributions received	2,778,700	
Transfers in	584,000	
Other income receivable	81,000	
	<hr/>	
<b>Total Net Administration Costs</b>		<b>3,443,700</b>
<b>Expenditure</b>		
Increase in liability	4,191,568	
Interest on scheme liability	5,165,183	
Other expenditure	10,000	
	<hr/>	
<b>Total Net Programme costs</b>		<b>9,366,751</b>
<b>Total Net Operating Cost</b>		<b>5,923,051</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>16,676,940</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>5,923,051</b>



## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>16,676,940</b>
<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	-10,753,889
<b>Net Operating Costs (Accounts)</b>	<b>5,923,051</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>5,923,051</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	5,923,051

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	-
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

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## 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**          Colin Balmer CB, Permanent Head of the Cabinet Office

Colin Balmer CB, 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 Cabinet Office: Civil superannuation'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Civil superannuation</b>		
Cost of pension cover, contributions, transfer values and bulk transfer receipts	3,443,700	-
<b>Total RfR 1</b>	<b>3,443,700</b> *	-
<i>of which: Administration budgets</i>	-	-

\* 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*)

### Analysis of Consolidated Fund Extra Receipts (CFERs)

		£'000	
		2005-06 provision	
		Income	Receipts
Excess A in A	Δ	100,000	100,000
<b>Total</b>		<b>100,000</b>	<b>100,000</b>

### 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	3,443,700

# Privy Council Office

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Ensuring the orderly conduct of Privy Council Office business**

#### **Increases:**

1.	<u>Take up of End Year Flexibility</u> Take up of administration costs EYF (all of which near cash) on subhead A1.	230,000
2.	<u>Transfer from non-voted spending</u> Take up of Departmental Unallocated Provision on subhead A1.	150,000
3.	<u>Transfer from other government departments</u> To give effect to the transfer from Cabinet Office to subhead A1 to reflect the machinery of government transfer of the Offices of the Chief Whips of the House of Commons and House of Lords.	2,097,000
	<b>Total change in resources for RfR1</b>	<b>2,477,000</b>

### Changes in capital

#### **Increases:**

1.	<u>Transfer from other government departments</u> To give effect to the transfer from Cabinet Office to subhead A7 to reflect the machinery of government transfer of the Offices of the Chief Whips of the House of Commons and House of Lords.	20,000
2.	<u>Take up of End Year Flexibility</u> Take up of capital EYF on subhead A7.	34,000
	<b>Total change in capital for Estimate</b>	<b>54,000</b>

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £2,523,000.
3. Symbols are explained in the Introduction to this booklet.

## Part I

£

<b>RfR 1: Ensuring the orderly conduct of Privy Council Office business</b>	†	<b>2,477,000</b>
Total additional net resource requirement		2,477,000
<b>Additional net cash requirement</b>	†	<b>2,523,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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.

† The Office of the Chief Whip of the House of Commons and the Office of the Chief Whip of the House of Lords were transferred from the Cabinet Office on 1 February 2006. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are: (i) the net resource requirement is increased by £2,097,000; and (ii) the net cash requirement is increased by £2,109,000.

## 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
<b>RfR 1: Ensuring the orderly conduct of Privy Council Office business</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration	4,232	2,477	-	2,477	6,709
<b>Total RfR 1</b>		<b>2,477</b>	<b>-</b>	<b>2,477</b>	
<b>£000</b>					
<b>Capital and Cash</b>	<b>Present Provision</b>	<b>Change in Provision</b>	<b>New Provision</b>		
Total Capital Expenditure	107	54	161		
Non-Operating A in A	-	-	-		
<b>Net cash requirement</b>	<b>4,257</b>	<b>2,523</b>	<b>6,780</b>		

**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	
<b>RfR 1: Ensuring the orderly conduct of Privy Council Office business</b>								
6,749	-	-	6,749	40	6,709	161	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
6,749	-	-	6,749	40	6,709	161	-	
<b>Total for Estimate:</b>								
6,749	-	-	6,749	40	6,709	161	-	



## Part II: Resource to cash reconciliation

	Present	Increase (+) Decrease (-)	£'000 Revised
<b>Net total Resources</b>	<b>4,232</b>	<b>2,477</b>	<b>6,709</b>
<b>Voted capital items</b>			
Capital expenditure	107	54	161
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>107</b>	<b>54</b>	<b>161</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-10	-	-10
Depreciation	-38	-	-38
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-34	-8	-42
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total accruals to cash adjustments</b>	<b>-82</b>	<b>-8</b>	<b>-90</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>4,257</b>	<b>2,523</b>	<b>6,780</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

		£'000
		2005-06 provision
<b>Net Administration Costs</b>		
RfR 1	6,709	
<b>Total Net Administration Costs</b>		<b>6,709</b>
<b>Net Programme Costs</b>		
RfR 1	-	
<b>Total Net Programme costs</b>		-
<b>Total Net Operating Cost</b>		<b>6,709</b>
<i>of which:</i>		
<b>Net Resource Outturn</b>		<b>6,709</b>
CFERs		-
Non-voted expenditure		-
<b>Resource Budget Outturn</b>		<b>6,709</b>

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>6,709</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>6,709</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>6,709</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	6,709
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>161</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>161</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	161
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 Galloway, the Clerk of the Council

Alex Galloway, as the Principal Accounting Officer (PAO) of the Privy Council Office has personal responsibility for the proper presentation of the Privy Council Office'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 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 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 Privy Council Office'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	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Ensuring the orderly conduct of Privy Council Office business</b>		
Fees and Receipts	40	-
<b>Total RfR 1</b>	<b>40</b> *	-
<i>of which: Administration budgets</i>	<i>40</i>	<i>-</i>

\*Amount that may be applied as 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.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Privy Council Office Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	2,327	6,709	-	6,709
<i>of which : Administration Budget</i>	2,327	6,709	-	6,709
Capital	54	161	-	161
Depreciation*	-	-38	-	-38
Total	2,381	6,832	-	6,832

\*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

40

# House of Lords

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Members' expenses and administration, etc.**

##### **Increases:**

##### DEL Reserve claim

1. Subheads A2, A5 and B2

Increased depreciation charges due to movements in the value of the asset base and valuation of the Parliamentary Estate (£9,421,000), decreased capital charges following movements in the value of the Parliamentary Estate (-£899,000), decreased other expenditure across the activities of the House (-£2,255,000) and increased income from trading activities (-£351,000). 5,916,000

##### **Decreases:**

##### Other decreases

1. Subhead C2

Decreased non-cash charges relating to pension costs and pension valuation. -554,000

**Total change in resources for RfR1 5,362,000**

### Changes in capital

##### **Increases:**

1. Subheads A8 and B8

Lower than estimated non-operating A in A. 30,000

##### **Decreases:**

2. Subhead A7

Decreased spend on IT projects. -120,000

**Total change in capital for Estimate -90,000**

2. As a result of the 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.

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**Part I**

£

<b>RfR 1: Members' expenses and administration, etc.</b>	<b>5,362,000</b>
Total additional net resource requirement	5,362,000
<b>Additional net cash requirement</b>	<b>-</b>

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SUPPLEMENTARY amounts required in the year ending 31 March 2006 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	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Members' expenses and administration, etc.</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration	54,369	-1,279	351	-1,630	52,739
RfR 1 - B Works Services	51,687	7,546	-	7,546	59,233
<b>Spending in Annually Managed Expenditure (AME)</b>					
RfR 1 - C Administration	1,800	-554	-	-554	1,246
<b>Total RfR 1</b>		<b>5,713</b>	<b>351</b>	<b>5,362</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	4,780	-120	4,660
Non-Operating A in A	30	-30	-
<b>Net cash requirement</b>	<b>73,191</b>	<b>-</b>	<b>73,191</b>

## 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	
<b>RfR 1: Members' expenses and administration, etc.</b>								
-	118,533	289	118,822	5,604	113,218	4,660	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
-	56,745	289	57,034	4,295	52,739	1,902	-	
B Works Services								
-	60,542	-	60,542	1,309	59,233	2,758	-	
<b>Spending in Annually Managed Expenditure (AME)</b>								
<i>Central Government spending</i>								
C Administration								
-	1,246	-	1,246	-	1,246	-	-	
<b>Total for Estimate:</b>								
-	118,533	289	118,822	5,604	113,218	4,660	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>107,856</b>	<b>5,362</b>	<b>113,218</b>
<b>Voted capital items</b>			
Capital expenditure	4,780	-120	4,660
<i>Less: non-operating A in A</i>	<u>30</u>	<u>-30</u>	<u>-</u>
<b>Total net voted capital</b>	<b>4,750</b>	<b>-90</b>	<b>4,660</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-18,400	1,060	-17,340
Depreciation	-12,150	-9,421	-21,571
New provisions and adjustments to previous provisions	-7,129	636	-6,493
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-130	-	-130
Increase(+)/decrease (-) in stock	-20	-	-20
Increase(+)/decrease (-) in debtors	-3,806	-	-3,806
Increase(-)/decrease (+) in creditors	-200	2,378	2,178
Use of provisions	<u>2,420</u>	<u>75</u>	<u>2,495</u>
<b>Total accruals to cash adjustments</b>	<b>-39,415</b>	<b>-5,272</b>	<b>-44,687</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>73,191</b>	<b>-</b>	<b>73,191</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	-
<b>Total Net Administration Costs</b>	-
<b>Net Programme Costs</b>	
RfR 1	113,218
<b>Total Net Programme costs</b>	113,218
<b>Total Net Operating Cost</b>	113,218
<i>of which:</i>	
<b>Net Resource Outturn</b>	113,218
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	113,218

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>113,218</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>113,218</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>113,218</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	111,972
Annually Managed Expenditure (AME)	1,246

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>4,660</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>4,660</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,660
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 appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Members' expenses and administration, etc.</b>		
Income from fees and charges	4,750	-
Pension scheme income	854	-
Other sales of equipment	-	-
<b>Total RfR 1</b>	<b>5,604</b> *	- **
<i>of which: Administration budgets</i>	-	-

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from judicial proceedings, private bills, taxation of costs, reproduction of works of art, fees etc., Refreshment Department sales, rental income and other charges.

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

The House of Lords Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	5,916	111,972	-	111,972
<i>of which : Administration Budget</i>	-	-	-	-
Capital	-90	4,660	-	4,660
Depreciation*	-9,421	-21,571	-	-21,571
Total	-3,595	95,061	-	95,061

\*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

5,604



# House of Commons: Members

## Introduction

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

Amount £

### Changes in resources

#### **RfR 1: Members' salaries, allowances and other costs**

##### **Increases:**

##### Claim on the Reserve

To increase the net resource requirement to meet additional expenditure incurred as a result of the 2005 General Election. This represents the net impact of providing both the resettlement grant and winding up allowance to Members who stood down or were not re-elected at the Election, partly offset by savings on other running costs.

3,000,000

**Total change in resources for RfR1 3,000,000**

### Changes in capital

##### **Increases:**

##### Claim on the Reserve

To meet the additional cost of providing new IT equipment to most Members.

1,600,000

**Total change in capital for Estimate 1,600,000**

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £4,600,000.
3. Symbols are explained in the Introduction to this booklet.

## Part I

£

<b>RfR 1: Members' salaries, allowances and other costs</b>	<b>3,000,000</b>
Total additional net resource requirement	3,000,000
<b>Additional net cash requirement</b>	<b>4,600,000</b>

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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 of Members and their staff, financial assistance to Opposition parties and 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	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Members' salaries, allowances and other costs</b>					
<b>Spending in Expenditure Limits (DEL)</b>					
RfR 1 - A Members' salaries, allowances and other costs	152,689	2,998	-2	3,000	155,689
<b>Total RfR 1</b>		<b>2,998</b>	<b>-2</b>	<b>3,000</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	348	1,602	1,950
Non-Operating A in A	-	2	2
<b>Net cash requirement</b>	<b>151,950</b>	<b>4,600</b>	<b>156,550</b>

**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	
<b>RfR 1: Members' salaries, allowances and other costs</b>								
-	149,414	6,275	155,689	-	155,689	1,950	2	
<b>Spending in Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Members' salaries, allowances and other costs								
-	149,414	6,275	155,689	-	155,689	1,950	2	
<b>Total for Estimate:</b>								
-	149,414	6,275	155,689	-	155,689	1,950	2	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>152,689</b>	<b>3,000</b>	<b>155,689</b>
<b>Voted capital items</b>			
Capital expenditure	348	1,602	1,950
<i>Less:</i> non-operating A in A	<u>-</u>	<u>2</u>	<u>2</u>
<b>Total net voted capital</b>	<b>348</b>	<b>1,600</b>	<b>1,948</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	124	-	124
Depreciation	-1,129	-	-1,129
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-82	-	-82
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total accruals to cash adjustments</b>	<b>-1,087</b>	<b>-</b>	<b>-1,087</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>151,950</b>	<b>4,600</b>	<b>156,550</b>

## Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	-
<b>Total Net Administration Costs</b>	-
<b>Net Programme Costs</b>	
RfR 1	155,689
<b>Total Net Programme costs</b>	155,689
<b>Total Net Operating Cost</b>	155,689
<i>of which:</i>	
<b>Net Resource Outturn</b>	155,689
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	155,689

## Notes to the Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>155,689</b>
<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	-
<b>Net Operating Costs (Accounts)</b>	<b>155,689</b>
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
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	-
<b>Resource Budget Outturn (Budget)</b>	<b>155,689</b>
<i>of which:</i>	
Expenditure Limit (DEL)	155,689
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>1,948</b>
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget Outturn (Budget)</b>	<b>1,948</b>
<i>of which:</i>	
Expenditure Limits (DEL)	1,948
Annually Managed Expenditure (AME)	-

## Notes to the Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

The Clerk of the House of Commons has been appointed as Accounting Officer for the Request for Resources within the House of Commons: Members Estimate by the Speaker.

#### **Request for Resources 1**

Mr R B Sands, Clerk of the House of Commons

The responsibilities of an 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 Officer's Memorandum issued by the Treasury and published in *Government Accounting*.



## Notes to the Estimate (*continued*)

### Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating	Non operating
	<u>A in A</u>	<u>A in A</u>
<b>RfR 1: Members' salaries, allowances and other costs</b>		
Sale of IT equipment	-	2
<b>Total RfR 1</b>	-	2 **
<i>of which: Administration budgets</i>	-	-

\*\* Amount that may be applied as non-operating appropriations in aid arising from the sale of IT equipment.

## Notes to the Estimate (*continued*)

### Expenditure Limits and Administration Budgets

The House of Commons: Members Expenditure Limit will change as follows:

	Change	New DEL		£'000	Check totals
		Voted	Non-voted	Total	
Resource	3,000	155,689	-	155,689	
<i>of which :Administration Budget</i>	-	-	-	-	
Capital	1,600	1,948	-	1,948	
Depreciation*	-	-1,129	-	-1,129	
Total	4,600	156,508	-	156,508	

\*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.

### Grants in Aid

	£'000
Financial assistance to Opposition parties	6,060
Members Fund	215