

**Central Government Supply Estimates 2009-10
Spring Supplementary Estimates**

HC 257 (Session 2009-10)
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23rd February 2010

CORRECTION

Replace page 643 with the revised table:

**National Savings and Investments
Departmental Expenditure limits and Administration Budgets
Page 643**

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000				
	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	150	-	183,749	-	183,749
<i>of which: †</i>					
Administration budget	150	-	183,749	-	183,749
Near-cash in RDEL	150	-	179,254	-	179,254
Capital DEL ††	-	-	3,176	-	3,176
Less Depreciation †††	-	-	-3,015	-	-3,015
Total DEL	150	-	183,910	-	183,910

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	6,096

**Central Government
Supply Estimates 2009-10
Spring Supplementary Estimates**

February 2010

Central Government Supply Estimates 2009-10 Spring Supplementary Estimates

for the year ending 31 March 2010

*Presented by Command of Her Majesty
Ordered by the House of Commons
to be printed 23 February 2010*

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Section 1.

Introduction

1. Supply Estimates are the means by which the Government seeks from Parliament sufficient funds and parliamentary authority for the bulk of departmental expenditure each year. A full description of Supply Estimates was included in the *Main Estimates (HC 514)* presented to Parliament on 18 June 2009.

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

Out-of-Turn Supplementary Estimates

3. In addition, Out-of-Turn Supplementary Estimates may be presented at any time during the year when Parliament is sitting. This is only allowed in the most exceptional circumstances, where urgent additional provision is needed at short notice and where this cannot await a normal Estimates round.

Total Estimates to Date

4. For the current year, Main Estimates for each department were presented to Parliament on 18 June 2009 and the winter Supplementary Estimates were presented on 24 November 2009.

5. The spring Supplementary Estimates presented to Parliament in this and related booklets increase resources by **£11,525,053,000** to **£502,423,981,000** and cash by **£8,112,904,000** to **£518,146,801,000**.

Table 1.1 Total Estimates to date		£ million
	Resources	Cash
Main Estimates (HC 514, 515, 513, 525)	484,282	486,035
Winter Supplementary and New Estimates (HC 24, HC18)	6,617	23,999
Spring Supplementary Estimates (HC 257 - Section 2 of this booklet)	11,485	8,113
Spring Supplementary Estimate (HC324 – House of Commons: Administration)	40	–
Total	502,424	518,147

6. There are 42 Supplementary Estimates (41 in this booklet and one independent) seeking changes to resources and/or cash and these are shown in **Table 1.3**.

International Financial Reporting Standards

7. From 2009-10, the accounts of central government departments will be produced using international financial reporting standards (IFRS). This change in accounting policy was reflected in the winter Supplementary Estimates for a number of departments. Departments will have had a further opportunity to reflect the move to IFRS in their spring Supplementary Estimates.

Public Expenditure: Total Managed Expenditure

8. The main aggregate for public expenditure control is Total Managed Expenditure, which includes Departmental Expenditure Limits (DEL), for which firm three year plans were set in the 2007 Comprehensive Spending Review, and Annually Managed Expenditure (AME), which is subject to annual review as part of the Budget process. These definitions are explained in more detail in Chapter 1 of *Public Expenditure: Statistical Analyses 2009 (HC 7630)* and in Section 2 of *Central Government Supply Estimates: 2009-10 Supplementary Budgetary Information (Cm 7631)*.

9. 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).

10. 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.

Table 1.2 Expenditure within the main budgetary control aggregates, 2009-10

	£ million	
	Resources	Capital
Change in DEL	4,405	1,583
Change in Departmental AME	4,910	–3,782
Total	9,315	–2,199

Departmental Expenditure Limits

11. Individual DELs operate as limits on spending at the departmental level covering both voted and non-voted provision. An explanation of the operation of DELs and the DEL figures, capital and resource, for 2009-10 were set out in Section 2 of *Central Government Supply Estimates 2009-10 – Supplementary Budgetary Information (Cm 7631)*. The presumption is that DELs, once set, will not normally be changed (other than for transfer of provision between DELs, take-up of end year flexibility, etc), even if there are unexpected fluctuations in costs or other determinants of expenditure.

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

Administration Budgets

13. **Table 1.5** shows the changes to individual departments' administration budgets agreed since they were published in Table 1.5 of HC 24 the winter Supplementary Estimates 2009-10 published in November 2009.

- Parliamentary Procedure** 14. Supplementary Estimates seek funds for expenditure in addition to that sought in previous Supply Estimates for the same financial year. They may be presented to:
- (a) seek authority, and additional resources and/or cash as necessary, for any new services;
 - (b) increase the provision for existing services;
 - (c) increase net resources if a shortfall is expected in income appropriated in aid; or
 - (d) increase appropriations in aid.

15. The House of Commons has an opportunity to debate and vote on Supplementary and, where applicable, New and Revised Estimates, following detailed examination by departmental Select Committees. This process is described more fully in Section 3 of *HC 514*.

- Format of Supplementary Estimates** 16. Each Supplementary Estimate begins with an introduction that explains why changes to existing provision are being sought. The format and organisation of Estimates is explained more fully in Section 2 of *HC 514*.

17. Part I of each Supplementary Estimate states, as necessary, the movements in 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.

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

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

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

- Appropriations in Aid** 21. 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 22. For convenience the symbols used throughout departmental Estimates are reproduced below.

Public Expenditure:

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

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

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

Appendix

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Department for Children, Schools and Families			
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	53,483,126	664,031	54,147,157
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,830,285	146,941	1,977,226
Net resource requirement‡	55,313,411	810,972	56,124,383
Net cash requirement	55,365,712	833,769	56,199,481
Teachers' Pension Scheme (England & Wales)			
RfR 1: Teachers' pensions	10,346,361	149,152	10,495,513
Net resource requirement‡	10,346,361	149,152	10,495,513
Net cash requirement	2,200,492	-	2,200,492
Office for Standards in Education, Children's Services and Skills			
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	188,385	13,833	202,218
Net resource requirement‡	188,385	13,833	202,218
Net cash requirement	190,151	11,615	201,766
Department of Health			
RfR 1: Securing health care for those who need it.	80,042,397	810,176	80,852,573
RfR 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health	3,294,837	159,717	3,454,554
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	16,097	-	16,097
Net resource requirement‡	83,353,331	969,893	84,323,224
Net cash requirement	82,918,850	606,272	83,525,122
National Health Service Pension Scheme			
RfR 1: National Health Service Pension Scheme	12,526,645	325,249	12,851,894
Net resource requirement‡	12,526,645	325,249	12,851,894
Net cash requirement	1	-	1
Food Standards Agency			
RfR 1: Protecting and promoting public health in relation to food	134,371	2,000	136,371
Net resource requirement‡	134,371	2,000	136,371
Net cash requirement	137,214	-	137,214
Department for Transport			
RfR 1: Transport that works for everyone	16,132,712	606,268	16,738,980
Net resource requirement‡	16,132,712	606,268	16,738,980
Net cash requirement	13,923,527	257,734	14,181,261
Office of Rail Regulation			
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation	2	1	3
Net resource requirement‡	2	1	3
Net cash requirement	1	1	2

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Department for Communities and Local Government			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	13,322,298	14,674	13,336,972
RfR 2: Providing for effective devolved decision making within a national framework	26,140,198	30,059	26,170,257
Net resource requirement‡	39,462,496	44,733	39,507,229
Net cash requirement	39,523,826	23,249	39,547,075
Department for Business, Innovation and Skills			
RfR 1: To help ensure business success in an increasingly competitive world	2,672,251	32,896	2,705,147
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society	3,688,205	41,712	3,729,917
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills	15,331,175	1,227,934	16,559,109
Net resource requirement‡	21,691,631	1,302,542	22,994,173
Net cash requirement	24,942,458	1,142,456	26,084,914
UK Trade & Investment			
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	96,383	1	96,384
Net resource requirement‡	96,383	1	96,384
Net cash requirement	97,003	4,174	101,177
Export Credits Guarantee Department			
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	29,575	-	29,575
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports	2	-	2
Net resource requirement‡	29,577	-	29,577
Net cash requirement	3	-	3
Office of Fair Trading			
RfR 1: Advancing and safeguarding the economic interests of UK consumers	66,070	1	66,071
Net resource requirement‡	66,070	1	66,071
Net cash requirement	64,793	451	65,244
Postal Services Commission			
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	-	1
Net resource requirement‡	1	-	1
Net cash requirement	1	-	1
Home Office			
RfR 1: Working together to protect the public	10,879,018	212,726	11,091,744
Net resource requirement‡	10,879,018	212,726	11,091,744
Net cash requirement	11,030,124	256,047	11,286,171
Charity Commission			
RfR 1: Giving the public confidence in the integrity of charity	31,219	259	31,478
Net resource requirement‡	31,219	259	31,478
Net cash requirement	31,434	54	31,488

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Ministry of Justice			
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	9,409,737	934,220	10,343,957
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	27,043,687	128,827	27,172,514
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	12,822,372	310,204	13,132,576
Net resource requirement‡	49,275,796	1,373,251	50,649,047
Net cash requirement	49,423,651	547,319	49,970,970
Ministry of Justice: Judicial Pensions Scheme			
RfR 1: Judicial Pensions Scheme	67,036	-	67,036
Net resource requirement‡	67,036	-	67,036
Net cash requirement	1	-	1
United Kingdom Supreme Court			
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	2,040	11,000	13,040
Net resource requirement‡	2,040	11,000	13,040
Net cash requirement	2,350	-	2,350
Northern Ireland Court Service			
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	144,491	17,000	161,491
Net resource requirement‡	144,491	17,000	161,491
Net cash requirement	132,551	17,000	149,551
The National Archives			
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	48,730	1	48,731
Net resource requirement‡	48,730	1	48,731
Net cash requirement	39,079	151	39,230
Crown Prosecution Service			
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	682,990	6,166	689,156
Net resource requirement‡	682,990	6,166	689,156
Net cash requirement	680,796	6,975	687,771
Serious Fraud Office			
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	38,932	6,341	45,273
Net resource requirement‡	38,932	6,341	45,273
Net cash requirement	40,788	6,590	47,378

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
HM Procurator General and Treasury Solicitor			
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	13,630	1,081	14,711
Net resource requirement‡	13,630	1,081	14,711
Net cash requirement	15,346	3,081	18,427
Ministry of Defence			
RfR 1: Provision of defence capability	36,858,315	1,406,873	38,265,188
RfR 2: Operations and Peace-Keeping	2,872,090	15,262	2,887,352
RfR 3: War Pensions and Allowances, etc	1,023,706	-	1,023,706
Net resource requirement‡	40,754,111	1,422,135	42,176,246
Net cash requirement	37,784,665	935,052	38,719,717
Armed Forces retired pay, pensions etc			
RfR 1: Armed Forces retired pay, pensions etc	5,700,316	1	5,700,317
Net resource requirement‡	5,700,316	1	5,700,317
Net cash requirement	1,996,080	1	1,996,081
Foreign and Commonwealth Office			
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,763,423	120,660	1,884,083
RfR 2: Conflict prevention	469,245	13,959	483,204
Net resource requirement‡	2,232,668	134,619	2,367,287
Net cash requirement	2,170,624	91,619	2,262,243
Department for International Development			
RfR 1: Eliminating poverty in poorer countries	5,769,923	528,371	6,298,294
RfR 2: Conflict prevention	27,200	1	27,201
Net resource requirement‡	5,797,123	528,372	6,325,495
Net cash requirement	5,595,904	242,772	5,838,676
Department for International Development: Overseas Superannuation			
RfR 1: Overseas superannuation	71,414	-	71,414
Net resource requirement‡	71,414	-	71,414
Net cash requirement	109,995	-	109,995
Department of Energy and Climate Change			
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	3,072,329	16,872	3,089,201
Net resource requirement‡	3,072,329	16,872	3,089,201
Net cash requirement	3,339,580	14,278	3,353,858
UK Atomic Energy Authority Pension Schemes			
RfR 1: Effective management of UKAEA pension schemes	281,270	4,000	285,270
Net resource requirement‡	281,270	4,000	285,270
Net cash requirement	181,387	1	181,388

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Office of Gas and Electricity Markets			
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.	702	-	702
Net resource requirement‡	702	-	702
Net cash requirement	14,157	-	14,157
Department for Environment, Food and Rural Affairs			
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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	5,273,819	601,973	5,875,792
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain	75,179	17,335	92,514
Net resource requirement‡	5,348,998	619,308	5,968,306
Net cash requirement	5,236,207	1,037,618	6,273,825
Water Services Regulation Authority			
RfR 1: Regulation of the Water Industry	60	-	60
Net resource requirement‡	60	-	60
Net cash requirement	1,135	-	1,135
Department for Culture, Media and Sport			
RfR 1: Improving the quality of life through cultural and sporting activities	1,947,509	27,880	1,975,389
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	3,064,000	-	3,064,000
Net resource requirement‡	5,011,509	27,880	5,039,389
Net cash requirement	5,004,210	30,000	5,034,210
Department for Work and Pensions			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	432,132	29,175	461,307
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	46,166,934	292,611	46,459,545
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	12,495,796	522,342	13,018,138
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	18,721,770	3,918	18,725,688
RfR 5: Corporate contracts and support services	1,839,381	214,706	2,054,087
Net resource requirement‡	79,656,013	1,062,752	80,718,765
Net cash requirement	79,960,139	1,058,397	81,018,536
Government Equalities Office			
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	85,806	12	85,818
Net resource requirement‡	85,806	12	85,818
Net cash requirement	85,805	12	85,817

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Northern Ireland Office			
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	1,242,893	126,112	1,369,005
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.	12,261,001	566,000	12,827,001
Net resource requirement‡	13,503,894	692,112	14,196,006
Net cash requirement	13,566,434	659,735	14,226,169
HM Treasury			
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all	348,616	9,712	358,328
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	50,500	-2,000	48,500
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers	1,505,350	499,501	2,004,851
Net resource requirement‡	1,904,466	507,213	2,411,679
Net cash requirement	53,044,681	7,213	53,051,894
HM Revenue and Customs			
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	3,785,854	142,621	3,928,475
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.	1	1	2
RfR 3: Providing payments in lieu of tax relief to certain bodies	155,300	7,700	163,000
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	32,900	500	33,400
RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments	12,425,000	92,000	12,517,000
Net resource requirement‡	16,399,055	242,822	16,641,877
Net cash requirement	16,353,379	212,951	16,566,330
National Savings and Investments			
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	191,529	20	191,549
Net resource requirement‡	191,529	20	191,549
Net cash requirement	184,010	20	184,030
The Statistics Board			
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good	206,246	6,630	212,876
Net resource requirement‡	206,246	6,630	212,876
Net cash requirement	201,246	6,615	207,861
Government Actuary's Department			
RfR 1: Providing an actuarial consultancy service	588	1	589
Net resource requirement‡	588	1	589
Net cash requirement	272	433	705

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Crown Estate Office			
RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it	2,365	-	2,365
Net resource requirement‡	2,365	-	2,365
Net cash requirement	2,357	-	2,357
Cabinet Office			
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	413,457	61,748	475,205
Net resource requirement‡	413,457	61,748	475,205
Net cash requirement	380,827	99,248	480,075
Security and Intelligence Agencies			
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,873,291	5,781	1,879,072
Net resource requirement‡	1,873,291	5,781	1,879,072
Net cash requirement	1,936,680	-	1,936,680
Cabinet Office: Civil superannuation			
RfR 1: Civil superannuation	7,141,000	299,301	7,440,301
Net resource requirement‡	7,141,000	299,301	7,440,301
Net cash requirement	1,456,500	1	1,456,501
National School of Government			
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	395	-	395
Net resource requirement‡	395	-	395
Net cash requirement	325	-	325
Central Office of Information			
RfR 1: Achieving maximum communication effectiveness with best value for money	682	-	682
Net resource requirement‡	682	-	682
Net cash requirement	666	-	666
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England			
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	34,226	-	34,226
Net resource requirement‡	34,226	-	34,226
Net cash requirement	34,306	-	34,306
House of Lords			
RfR 1: Members' expenses and administration, etc.	117,341	1,004	118,345
Net resource requirement‡	117,341	1,004	118,345
Net cash requirement	98,068	-	98,068
House of Commons: Members			
RfR 1: Members' salaries, allowances and other costs	183,200	-	183,200
Net resource requirement‡	183,200	-	183,200
Net cash requirement	179,640	-	179,640
Total net resource requirement† (Supply Estimates presented by HM Treasury)	490,509,312	11,485,053	501,994,365
Total net cash requirement (Supply Estimates presented by HM Treasury)	509,679,431	8,112,904	517,792,335

Table 1.3 Supplementary Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
House of Commons: Administration			
RfR 1: House of Commons: Administrative expenditure	254,254	40,000	294,254
RfR 2: Grants to Other Bodies	3,746	-	3,746
Net resource requirement‡	258,000	40,000	298,000
Net cash requirement	212,000	-	212,000
National Audit Office			
RfR 1: Providing independent assurance to Parliament and other organisations on the management of public resources	103,700	-	103,700
Net resource requirement‡	103,700	-	103,700
Net cash requirement	112,500	-	112,500
Electoral Commission			
RfR 1: The Electoral Commission	23,468	-	23,468
Net resource requirement‡	23,468	-	23,468
Net cash requirement	23,395	-	23,395
Independent Parliamentary Standards Authority			
RfR 1: To support the efficient and effective establishment and administration of the Independent Parliamentary Standards Authority	4,448	-	4,448
Net resource requirement‡	4,448	-	4,448
Net cash requirement	6,571	-	6,571
Total net resource requirement (Supply Estimates presented separately)	389,616	40,000	429,616
Total net cash requirement (Supply Estimates presented separately)	354,466	-	354,466
Grand Total net resource requirement	490,898,928	11,525,053	502,423,981
Grand Total net cash requirement	510,033,897	8,112,904	518,146,801

‡ Total resources net of operating appropriations in aid

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000				
Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
Department for Children, Schools and Families				
Resource DEL	496,825	49,537,639	48,111,610	1,426,029
<i>of which:</i> Near-cash in RDEL	496,825	49,574,639	48,108,997	1,465,642
Capital DEL	199,686	7,573,899	1,370,207	6,203,692
Office for Standards in Education, Children's Services and Skills				
Resource DEL	10,318	202,218	202,218	-
<i>of which:</i> Near-cash in RDEL	7,700	200,385	199,093	1,292
Capital DEL	400	1,381	1,381	-
Department of Health				
Resource DEL	339,108	100,288,208	101,795,986	-1,507,778
<i>of which:</i> Near-cash in RDEL	228,172	96,726,723	96,935,132	-208,409
Capital DEL	-124,802	5,276,052	2,650,151	2,625,901
Food Standards Agency				
Resource DEL	-1,500	132,871	132,871	-
<i>of which:</i> Near-cash in RDEL	-1,500	130,198	130,198	-
Capital DEL	-	616	616	-
Department for Transport				
Resource DEL	711,346	7,158,900	6,597,715	561,185
<i>of which:</i> Near-cash in RDEL	-369,146	5,735,408	5,331,272	404,136
Capital DEL	299,745	8,263,347	7,163,175	1,100,172
Office of Rail Regulation				
Resource DEL	1	3	3	-
<i>of which:</i> Near-cash in RDEL	1	-1,081	-1,081	-
Capital DEL	-	750	750	-
Department for Communities and Local Government : Main				
Resource DEL	7,173	4,552,254	3,942,370	609,884
<i>of which:</i> Near-cash in RDEL	7,110	4,354,778	3,843,705	511,073
Capital DEL	-35,000	9,142,770	2,128,029	7,014,741
Department for Communities and Local Government : Local Government				
Resource DEL	-32,000	25,565,051	25,446,700	118,351
<i>of which:</i> Near-cash in RDEL	-32,000	25,563,961	25,446,700	117,261
Capital DEL	62,000	227,100	226,122	978
Department for Business, Innovation and Skills				
Resource DEL	811,250	19,650,989	-3,235,584	22,886,573
<i>of which:</i> Near-cash in RDEL	397,051	17,565,367	-5,004,730	22,570,097
Capital DEL	429,273	3,419,235	-209,708	3,628,943
UK Trade & Investment				
Resource DEL	-485	95,877	95,877	-
<i>of which:</i> Near-cash in RDEL	-1,531	94,744	94,744	-
Capital DEL	3,740	3,988	3,988	-

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000				
Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
Export Credits Guarantee Department				
Resource DEL	-	53,235	53,235	-
<i>of which:</i> Near-cash in RDEL	-	31,830	31,830	-
Capital DEL	-	1,102	1,102	-
Office of Fair Trading				
Resource DEL	-946	65,124	65,124	-
<i>of which:</i> Near-cash in RDEL	-946	62,516	62,516	-
Capital DEL	1,397	2,728	2,728	-
Postal Services Commission				
Resource DEL	-	1	1	-
<i>of which:</i> Near-cash in RDEL	-	-587	-587	-
Capital DEL	-	150	150	-
Home Office				
Resource DEL	-38,870	9,569,484	8,589,149	980,335
<i>of which:</i> Near-cash in RDEL	-51,583	9,348,544	8,418,215	930,329
Capital DEL	189,000	1,007,081	726,561	280,520
Charity Commission				
Resource DEL	259	31,478	31,478	-
<i>of which:</i> Near-cash in RDEL	54	30,173	30,173	-
Capital DEL	-	1,315	1,315	-
Ministry of Justice				
Resource DEL	69,037	9,452,464	5,772,369	3,680,095
<i>of which:</i> Near-cash in RDEL	69,577	8,768,855	4,883,323	3,885,532
Capital DEL	33,079	901,613	849,570	52,043
United Kingdom Supreme Court				
Resource DEL	-530	3,360	2,040	1,320
<i>of which:</i> Near-cash in RDEL	470	2,707	1,387	1,320
Capital DEL	-	-	-	-
Northern Ireland Court Service				
Resource DEL	17,000	169,691	58,391	111,300
<i>of which:</i> Near-cash in RDEL	17,000	151,251	40,451	110,800
Capital DEL	-	6,000	6,000	-
The National Archives				
Resource DEL	-2,135	46,595	46,595	-
<i>of which:</i> Near-cash in RDEL	-1,985	34,994	34,844	150
Capital DEL	2,136	4,236	4,236	-
Crown Prosecution Service				
Resource DEL	475	688,666	676,349	12,317
<i>of which:</i> Near-cash in RDEL	475	681,924	667,934	13,990
Capital DEL	1,500	6,700	6,700	-

Table 1.4 Departmental Expenditure Limits for 2009-10

	£'000			
Department Group	DEL Change	New DEL Of Which	Voted	Non-Voted
Serious Fraud Office				
Resource DEL	6,341	45,273	45,273	-
<i>of which:</i> Near-cash in RDEL	6,341	43,599	43,599	-
Capital DEL	249	3,779	3,779	-
HM Procurator General and Treasury Solicitor				
Resource DEL	1,081	14,711	14,711	-
<i>of which:</i> Near-cash in RDEL	1,081	12,427	12,427	-
Capital DEL	-	4,000	4,000	-
Ministry of Defence				
Resource DEL	189,135	39,100,088	38,660,976	439,112
<i>of which:</i> Near-cash in RDEL	149,705	26,946,021	26,277,470	668,551
Capital DEL	178,695	9,228,335	9,227,484	851
Foreign and Commonwealth Office				
Resource DEL	107,354	2,240,987	2,237,987	3,000
<i>of which:</i> Near-cash in RDEL	107,354	2,043,933	2,027,933	16,000
Capital DEL	-13,000	203,310	203,310	-
Department for International Development				
Resource DEL	-33,098	5,378,926	4,542,861	836,065
<i>of which:</i> Near-cash in RDEL	-33,098	5,283,926	4,437,111	846,815
Capital DEL	-	1,365,750	1,365,750	-
Department of Energy and Climate Change				
Resource DEL	114,377	1,219,540	-735,996	1,955,536
<i>of which:</i> Near-cash in RDEL	114,377	1,240,502	-759,528	2,000,030
Capital DEL	-116,660	1,887,945	693,065	1,194,880
Office of Gas and Electricity Markets				
Resource DEL	-	702	702	-
<i>of which:</i> Near-cash in RDEL	-	607	-93	700
Capital DEL	-	950	950	-
Department for Environment, Food and Rural Affairs				
Resource DEL	11,873	2,720,880	4,405,871	-1,684,991
<i>of which:</i> Near-cash in RDEL	11,873	2,385,448	4,138,436	-1,752,988
Capital DEL	29,735	694,250	262,071	432,179
Water Services Regulation Authority				
Resource DEL	-	1	1	-
<i>of which:</i> Near-cash in RDEL	-	-234	-234	-
Capital DEL	-	480	480	-
Department for Culture, Media and Sport				
Resource DEL	17,426	1,706,263	103,804	1,602,459
<i>of which:</i> Near-cash in RDEL	-6,426	1,445,411	94,425	1,350,986
Capital DEL	61,426	543,326	-730,727	1,274,053

Table 1.4 Departmental Expenditure Limits for 2009-10

Department Group	DEL Change	New DEL		£'000
		Of Which	Voted	
Department for Work and Pensions				
Resource DEL	318,266	9,123,522	6,922,236	2,201,286
<i>of which: Near-cash in RDEL</i>	318,266	8,895,218	6,660,506	2,234,712
Capital DEL	-	284,517	283,288	1,229
Government Equalities Office				
Resource DEL	12	78,778	17,818	60,960
<i>of which: Near-cash in RDEL</i>	12	78,468	17,817	60,651
Capital DEL	-	1,980	-	1,980
Scottish Executive				
Resource DEL	52,414	25,640,423	-	25,640,423
<i>of which: Near-cash in RDEL</i>	34,536	24,572,419	-	24,572,419
Capital DEL	-34,409	3,929,864	-	3,929,864
National Assembly for Wales				
Resource DEL	346,239	13,902,584	-	13,902,584
<i>of which: Near-cash in RDEL</i>	118,861	13,133,893	-	13,133,893
Capital DEL	217,048	1,939,259	-	1,939,259
Northern Ireland Office				
Resource DEL	190,182	1,379,644	359,487	1,020,157
<i>of which: Near-cash in RDEL</i>	101,179	1,070,294	277,153	793,141
Capital DEL	-	76,703	36,526	40,177
Northern Ireland Executive				
Resource DEL	634,409	9,023,764	-	9,023,764
<i>of which: Near-cash in RDEL</i>	483,027	8,551,093	-	8,551,093
Capital DEL	127,064	1,210,669	-	1,210,669
HM Treasury				
Resource DEL	9,401	240,148	219,304	20,844
<i>of which: Near-cash in RDEL</i>	9,401	241,063	209,619	31,444
Capital DEL	-	156,942	154,800	2,142
HM Revenue and Customs				
Resource DEL	71,492	4,100,680	3,703,057	397,623
<i>of which: Near-cash in RDEL</i>	68,529	3,810,411	3,378,640	431,771
Capital DEL	-	241,633	241,633	-
National Savings and Investments				
Resource DEL	150	183,749	183,749	-
<i>of which: Near-cash in RDEL</i>	150	179,254	179,254	-
Capital DEL	-	3,176	3,176	-
The Statistics Board				
Resource DEL	630	212,876	212,876	-
<i>of which: Near-cash in RDEL</i>	630	192,876	178,876	14,000
Capital DEL	-15	14,985	14,985	-
Government Actuary's Department				
Resource DEL	1	543	543	-
<i>of which: Near-cash in RDEL</i>	339	394	49	345
Capital DEL	-	217	217	-

Table 1.4 Departmental Expenditure Limits for 2009-10

			£'000	
Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
Cabinet Office				
Resource DEL	9,284	387,253	334,882	52,371
<i>of which:</i> Near-cash in RDEL	13,284	346,475	293,285	53,190
Capital DEL	52,474	103,459	100,059	3,400
Security and Intelligence Agencies				
Resource DEL	-22,029	1,847,472	1,847,472	-
<i>of which:</i> Near-cash in RDEL	-25,210	1,495,852	1,495,852	-
Capital DEL	18,000	356,000	356,000	-
National School of Government				
Resource DEL	-	395	395	-
<i>of which:</i> Near-cash in RDEL	-	-745	-745	-
Capital DEL	-	1,070	1,070	-
Central Office of Information				
Resource DEL	-	682	682	-
<i>of which:</i> Near-cash in RDEL	-	666	666	-
Capital DEL	-	-	-	-
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England				
Resource DEL	-	34,413	34,226	187
<i>of which:</i> Near-cash in RDEL	-	32,393	31,806	587
Capital DEL	-	2,100	2,100	-
House of Lords				
Resource DEL	-5,889	108,633	108,633	-
<i>of which:</i> Near-cash in RDEL	-3,940	75,368	75,368	-
Capital DEL	-	15,309	15,309	-
House of Commons: Members				
Resource DEL	-	183,200	183,200	-
<i>of which:</i> Near-cash in RDEL	-	179,540	179,540	-
Capital DEL	-	100	100	-
House of Commons: Administration				
Resource DEL	-	258,000	258,000	-
<i>of which:</i> Near-cash in RDEL	-	184,302	184,302	-
Capital DEL	-	19,500	19,500	-
National Audit Office				
Resource DEL	-	103,927	103,700	227
<i>of which:</i> Near-cash in RDEL	-	100,727	99,800	927
Capital DEL	-	11,500	11,500	-
Electoral Commission				
Resource DEL	-100	23,368	23,368	-
<i>of which:</i> Near-cash in RDEL	-100	22,718	22,618	100
Capital DEL	100	877	877	-

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000				
Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
Independent Parliamentary Standards Authority				
Resource DEL	-	4,448	4,448	-
<i>of which:</i> Near-cash in RDEL	-	4,371	4,371	-
Capital DEL	-	2,200	2,200	-
Total Resource DEL	4,405,277	346,529,981	262,178,763	84,351,218
<i>of which:</i> Near-cash in RDEL	2,235,915	321,626,019	238,814,439	82,811,580
Total Capital DEL	1,582,861	58,144,248	27,206,575	30,937,673

Table 1.5 Central Government Departments: Changes in 2009-10 Administration Budgets

	£'000		
	Present Administration Budget	change in Administration Budget	Revised Administration Budget
Department for Children, Schools and Families	182,352	10,520	192,872
Office for Standards in Education, Children's Services and Skills	28,020	-	28,020
Department of Health	213,765	4,426	218,191
Food Standards Agency	49,894	2,000	51,894
Department for Transport	275,172	4,520	279,692
Office of Rail Regulation	2	1	3
Department for Communities and Local Government	273,064	1,819	274,883
Department for Business, Innovation and Skills	357,473	1,220	358,693
Export Credits Guarantee Department	53,235	-	53,235
Office of Fair Trading	64,156	-946	63,210
Postal Services Commission	1	-	1
Home Office	675,540	-276,293	399,247
Charity Commission	31,219	259	31,478
Ministry of Justice	435,920	23,282	459,202
Northern Ireland Court Service	1,426	-2,000	-574
Crown Prosecution Service	54,993	-	54,993
HM Procurator General and Treasury Solicitor	13,630	1,081	14,711
Ministry of Defence	2,237,737	211	2,237,948
Foreign and Commonwealth Office	426,845	29,444	456,289
Department for International Development	159,950	-	159,950
Department of Energy and Climate Change	93,512	9,047	102,559
Office of Gas and Electricity Markets	702	-	702
Department for Environment, Food and Rural Affairs	304,296	200	304,496
Water Services Regulation Authority	1	-	1
Department for Culture, Media and Sport	55,133	-	55,133
Department for Work and Pensions	6,204,337	38,170	6,242,507
Government Equalities Office	9,605	12	9,617
Northern Ireland Office	73,926	-2,247	71,679
HM Treasury	180,145	6,431	186,576
HM Revenue and Customs	3,957,886	70,492	4,028,378
National Savings and Investments	183,599	150	183,749
Government Actuary's Department	542	1	543
Cabinet Office	206,397	-28,247	178,150
Security and Intelligence Agencies	85,000	-	85,000
National School of Government	395	-	395
Independent Parliamentary Standards Authority	4,448	-	4,448
	-	-	-
Total	16,894,318	-106,447	16,787,871

Section 2.

Supplementary Estimates

Department for Children, Schools and Families

Introduction

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

Amount (£)
Increases Reductions

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

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

	Take up of End Year Flexibility to increase administration provision for:	
A	Activities to Support all Functions	8,800,000
	Take up of end year flexibility to increase other resource and current grants provision for:	
A	Activities to Support all Functions	32,920,000
B	Support for Schools and Teachers not paid through Local Education Authorities	103,344,000
C	Support for Children and Families not paid through Local Authorities	22,298,000
D	Support for Youth not paid through Local Authorities	170,799,000
H	Current Grants to Local Authorities to Support Children and Families	27,160,000
M	Current Grants to Local Authorities to Support Youth Programmes	6,700,000
	Take up of Capital end year flexibility to increase provision for:	
B	Support for Schools and Teachers not paid through Local Education Authorities	31,400,000
D	Support for Youth not paid through Local Authorities	2,900,000
G	Capital Grants for Local Education Authorities to support Schools	20,763,000
I	Capital Grants to Local Authorities to Support Children and Families	55,185,000

Introduction

Take up of Departmental Unallocated Provision

	Draw down of near-cash programme costs DUP to increase provision for:	
D	Support for Youth not paid through Local Authorities	64,105,000
	Draw down of Capital DUP to increase provision for:	
C	Support for Children and Families not paid through Local Education Authorities	33,792,000
I	Capital Grants to Local Authorities to Support Children and Families	15,000,000

Transfers of budgetary cover to/from other government departments

A	Increase in administration costs to fund transfer from the Department for Work and Pensions in respect of Joint Birth Registration	262,000
A	Increase in administration costs to fund transfer from the Department for Work and Pensions in respect of Child Poverty	110,000
A	Increase in administration costs to fund transfer from the Cabinet Office in respect of the Parliamentary Council	529,000
C	Increase in programme costs to fund transfer from the Department for Work and Pensions in respect of the School Gates Project	431,000
D	Increase in programme costs to fund transfer from the Department for Work and Pensions in respect of Apprenticeships	12,500,000
H	Increase in programme costs to fund transfer from the Department for Work and Pensions in respect of Child Poverty	1,500,000
C	Decrease in programme costs to fund transfer to the Scottish Office in respect of the Family Fund Trust	-642,000
C	Decrease in programme costs to fund transfer to the Scottish Office in respect of the National Society for the Prevention of Cruelty to Children	-161,000
C	Decrease in programme costs to fund transfer to the Welsh Assembly in respect of the Family Fund Trust	-372,000
C	Decrease in programme costs to fund transfer to the Welsh Assembly in respect of the National Society for the Prevention of Cruelty to Children	-93,000
C	Decrease in programme costs to fund transfer to the Northern Ireland Executive in respect of the Family Fund Trust	-220,000
C	Decrease in programme costs to fund transfer to the Northern Ireland Executive in respect of the National Society for the Prevention of Cruelty to Children	-55,000
H	Decrease in programme costs to fund transfer to the Office for Standards in Education, Childrens Services and Skills in respect of Early Years Foundation Stage inspections.	-8,100,000

Introduction

Changes in operating appropriations in aid (not offset by changes in spending)

G	Increase in Interest Received on 105 Loans	-47,000
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Other changes in DEL spending

A	Adjustment relating to a change in accounting policy as a consequence of implementing International Financial Reporting Standards under IAS 19 Accrued Employee Benefits	819,000
A	Increase in provision for loss on sale of Fixed Assets	6,000

Changes in Annually Managed Expenditure (AME)

Q	Adjustment relating to a change in accounting policy as a consequence of implementing International Financial Reporting Standards under IAS 19 Accrued Employee Benefits now moved to DEL	-171,000
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Other changes

Resource transfers to/from another Request for Resources

B	Transfer to RfR1 from RfR2, Section A to support the National Strategy.	4,750,000
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Resource transfers within the Request for Resources

A	Increase in provision for Activities to Support all Functions	10,699,000
D	Increase in provision for Support for Youth not paid through Local Authorities	103,344,000
E	Increase in provision for Compensation to former college of Education staff	525,000
F	Increase in provision for Current Grants for Local Education Authorities to support Schools and Teachers	769,329,000
G	Increase in provision for Capital Grants for Local Education Authorities to support Schools	31,846,000
H	Increase in provision for Current Grants to Local Authorities to Support Children and Families	107,287,000
I	Increase in provision for Capital Grants to Local Authorities to Support Children and Families	7,257,000
K	Increase in provision for Area Based Grants	3,300,000
M	Increase in provision for Current Grants to Local Authorities to Support Youth Programmes	4,800,000
B	Reduction in provision for Support for Schools and Teachers not paid through Local Education Authorities	-43,559,000
C	Reduction in provision for Support for Children and Families not paid through Local Authorities	-165,115,000
J	Reduction in provision for Dedicated Schools Grant	-829,712,000
L	Reduction in provision for Capital Grants to Local Authorities to Support Youth Programmes	-1,000

Introduction

Transfers to/from non-voted spending

	To decrease provision for:	
B	Support for Schools and Teachers not paid through Local Education Authorities	-23,538,000
C	Support for Children and Families not paid through Local Authorities	-9,728,000
D	Support for Youth not paid through Local Authorities	-36,333,000
F	Current Grants for Local Education Authorities to support Schools and Teachers	-13,548,000
G	Capital Grants for Local Education Authorities to support Schools	-2,611,418,000
H	Current Grants to Local Authorities to Support Children and Families	-19,200,000
I	Capital Grants to Local Authorities to Support Children and Families	-218,000
J	Dedicated Schools Grant	-9,000,000

Increases in non-budget spending

N	British Educational Communications and Technology Agency	25,243,000
N	National College for Leadership of Schools and Children's Services	39,614,000
N	Schools Food Trust	2,526,000
N	Training and Development Agency for Schools	53,088,000
N	Partnerships for Schools	2,586,974,000
O	Children and Families Court Advisory and Support Service	9,576,000
O	Childrens' Workforce Development Council	19,093,000
P	Qualifications and Curriculum Authority	44,688,000

Changes in operating appropriations in aid (fully offset by changes in spending)

A	Activities to Support all Functions	7,899,000	-7,899,000
B	Support for Schools and Teachers not paid through Local Education Authorities	10,508,000	-10,508,000
C	Support for Children and Families not paid through Local Authorities	13,212,000	-13,212,000
D	Support for Youth not paid through Local Authorities	260,000	-260,000
F	Current Grants for Local Education Authorities to support Schools and Teachers	32,916,000	-32,916,000
H	Current Grants to Local Authorities to Support Children and Families	10,750,000	-10,750,000
K	Area Based Grants	4,869,000	-4,869,000

Totals

4,515,676,000 -3,851,645,000

Total RfR 1

664,031,000

Introduction

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

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

Take up of end year flexibility to increase other resource and current grants provision for:

A	Support for Sure Start, Early Years and Childcare not paid through Local Authorities	21,573,000	
B	Current Grants to Local Authorities to support Sure Start, Early Years and Childcare	60,668,000	

Take up of Capital end year flexibility to increase provision for:

A	Support for Sure Start, Early Years and Childcare not paid through Local Authorities	3,400,000	
C	Capital Grants to Local Authorities to support Sure Start, Early Years and Childcare	66,000,000	

Other changes

Resource transfers to/from another Request for Resources

A	Transfer from RfR2 to RfR1, Section B to fund National Strategy.		-4,750,000
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Resource transfers within the Request for Resources

B	Current Grants to Local Authorities to support Sure Start, Early Years and Childcare	15,684,000	
C	Capital Grants to Local Authorities to support Sure Start, Early Years and Childcare	3,400,000	
A	Support for Sure Start, Early Years and Childcare not paid through Local Authorities		-19,084,000

Transfers to/from non-voted spending

A	Support for Sure Start, Early Years and Childcare not paid through Local Authorities	50,000	
B	Current Grants to Local Authorities to support Sure Start, Early Years and Childcare		-500,000

Increases in non-budget spending

D	Childrens' Workforce Development Council	500,000	
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<u>Totals</u>		171,275,000	-24,334,000
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Total RfR 2			146,941,000
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Total change in resources for Estimate:			810,972,000
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Introduction

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Take up of DEL End-Year flexibility

	Take up of Capital end year flexibility to increase provision for:		
A	Activities to Support all Functions	16,108,000	

Take up of Departmental Unallocated Provision

	Take up of Capital DUP to increase provision for:		
A	Activities to Support all Functions	6,700,000	

Changes in non-operating appropriations in aid (not offset by changes in spending)

A	Increase due to sale of fixed assets		-5,000
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Other changes

Transfers within the Request for Resources

A	Increase in provision for Activities to Support all Functions	8,700,000	
B	Reduction in provision for Support for Schools and Teachers not paid through Local Education Authorities		-8,700,000

Changes in non-operating appropriations in aid (fully offset by changes in spending)

A	Activities to Support all Functions	3,040,000	-3,040,000
G	Capital Grants for Local Education Authorities to support Schools	536,000	-536,000

	Totals	35,084,000	-12,281,000
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Total RfR 1	22,803,000
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Total changes in capital for Estimate:	22,803,000
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- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £833,769,000.
- Symbols are explained in the Introduction to this booklet.

Department for Children, Schools and Families

Part I

	£
Request for Resources 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	664,031,000
Request for Resources 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	146,941,000
Total additional net resource requirement	810,972,000
Additional net cash requirement	833,769,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for Children, Schools and Families 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; modernising the teaching profession and other educational services and initiatives; initiatives to write-off student loans to teachers in England and Wales; class size reductions; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; Dedicated Schools Grant; grants in aid to the National College for Leadership of Schools and Children's Services, the Training and Development Agency for Schools, the British Educational Communications and Technology Agency, the Schools Food Trust, the Qualifications and Curriculum Authority and the Partnerships for Schools; Set up costs for the Office of Qualifications and Examinations Regulation; support for the Centre for Information Learning Technology; support for Teachers TV; capital grants to schools including those through the Standards Fund; the Youth Service including the Youth Task Force and the Respect Agenda in England and Wales; careers guidance and services including through the Connexions Service including working capital grants and loans for capital purchases; education provision and initiatives, capital grants to music, dance and other schools; payments for education in prisons and other custodial institutions; education maintenance allowances; the provision of training and assessment programmes for young people; initiatives to improve education, training and qualifications arrangements and access to these; payments to the Department for Business, Innovation and Skills to support 14-19 programmes. Set up costs for the Young People's Learning Agency. Millennium Volunteers; payments to the Home Office to support the Criminal Records Bureau; payments and grants to support personal and children's social services, and initiatives relating to teenage pregnancy, hospital and community health services; payments to support Children's Wellbeing;

Part I

payments to Department for Culture, Media and Sport relating to Free Swimming; payments for implementing the Aiming High programme children's secure accommodation and family policy; family parenting and law grants; Grants in Aid to the Children and Family Court Advisory and Support Service, the Children's Workforce Development Council and the Children's Commissioner; payments and grants to support parenting and parenting organisations; children's workforce and development; grants to support Strengthening Families, Marriages and Relationships; payments for Child Trust Fund top ups, including through the Devolved Administrations; payments to support and develop vetting and barring;

payments to the Department for Communities and Local Government to support Area Based Grants; investments and loans to support PFI; payments to the Department for Business, Innovation and Skills in connection with the Regional Development Agencies and the London Development Agency; to local voluntary, community and business support organisations; 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; payments for the administration of Department for Business, Innovation and Skills provided under a shared service agreement; information and publicity services;

departmental restructuring costs; initiatives and programmes supported by the European Union;

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; promoting Children's Wellbeing; evaluating the programme; Grant in Aid to the Children's Workforce Development Council; the administration of the Sure Start Unit; and associated non-cash items.

The **Department for Children, Schools and Families** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: To 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						
		734,754	70,723	664,031		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Activities to Support all Functions	216,995	62,044	7,899	54,145	271,140
B	Support for Schools and Teachers not through Local Education Authorities	2,333,462	82,905	10,508	72,397	2,405,859
C	Support for Children and Families not paid through Local Authorities	565,237	-106,653	13,212	-119,865	445,372
D	Support for Youth not paid through Local Authorities	7,813,078	317,575	260	317,315	8,130,393
E	Compensation to Former College of Education Staff	11,793	525	-	525	12,318
<i>Support for Local Authorities</i>						
F	Current Grants for Local Education Authorities to Support Schools and Teachers	4,008,714	788,697	32,916	755,781	4,764,495
G	Capital Grants for Local Education Authorities to Support Schools	2,597,861	-2,558,809	47	-2,558,856	39,005
H	Current Grants to Local Authorities to support Children and Families	161,111	119,397	10,750	108,647	269,758
I	Capital Grants to Local Authorities to support Children and Families	95,712	77,224	-	77,224	172,936
J	Dedicated Schools Grant	30,486,210	-838,712	-	-838,712	29,647,498
K	Area Based Grants	1,303,924	-1,569	-4,869	3,300	1,307,224
L	Capital Grants to Local Authorities to Support Youth Programmes	1	-1	-	-1	-
M	Current Grants to Local Authorities to Support Youth Programmes	9,546	11,500	-	11,500	21,046
Non-Budget						
N	Grant in Aid to NDPBs supporting Schools	3,556,965	2,707,445	-	2,707,445	6,264,410

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
O Grant in Aid to NDPBs supporting Children and Families	170,043	28,669	-	28,669	198,712
P Grant in Aid to NDPBs supporting Youth	151,969	44,688	-	44,688	196,657
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
Q Activities to Support All Functions (AME)	505	-171	-	-171	334
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare					
		146,941	-	146,941	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Support for Sure Start, Early Years and Childcare not paid through Local Authorities	58,137	1,189	-	1,189	59,326
<i>Support for Local Authorities</i>					
B Current Grants to Local Authorities to support Sure Start, Early Years and Childcare	1,364,773	75,852	-	75,852	1,440,625
C Capital Grants to Local Authorities to support Sure Start, Early Years and Childcare	383,025	69,400	-	69,400	452,425
Non-Budget					
D Grant in Aid to NDPBs supporting Children and Families	24,350	500	-	500	24,850
Total for Estimate:		881,695	70,723	810,972	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	19,600	26,384	45,984
Non-Operating A in A	-	3,581	3,581
Net cash requirement	55,365,712	833,769	56,199,481

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
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								
201,930	1,868,255	52,211,111	54,281,296	134,139	54,147,157	45,984	3,581	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Activities to Support all Functions							
	201,930	87,614	1,127	290,671	19,531	271,140	45,448	3,045
B	Support for Schools and Teachers not through Local Education Authorities							
	-	1,242,945	1,176,947	2,419,892	14,033	2,405,859	-	-
C	Support for Children and Families not paid through Local Authorities							
	-	236,580	241,979	478,559	33,187	445,372	-	-
D	Support for Youth not paid through Local Authorities							
	-	248,985	7,896,952	8,145,937	15,544	8,130,393	-	-
E	Compensation to Former College of Education Staff							
	-	-	12,318	12,318	-	12,318	-	-
<i>Support for Local Authorities</i>								
F	Current Grants for Local Education Authorities to Support Schools and Teachers							
	-	32,916	4,764,495	4,797,411	32,916	4,764,495	-	-
G	Capital Grants for Local Education Authorities to Support Schools							
	-	-	39,052	39,052	47	39,005	536	536
H	Current Grants to Local Authorities to support Children and Families							
	-	10,750	269,758	280,508	10,750	269,758	-	-
I	Capital Grants to Local Authorities to support Children and Families							
	-	-	172,936	172,936	-	172,936	-	-
J	Dedicated Schools Grant							
	-	-	29,647,498	29,647,498	-	29,647,498	-	-
K	Area Based Grants							
	-	8,131	1,307,224	1,315,355	8,131	1,307,224	-	-
L	Capital Grants to Local Authorities to Support Youth Programmes							
	-	-	-	-	-	-	-	-
M	Current Grants to Local Authorities to Support Youth Programmes							
	-	-	21,046	21,046	-	21,046	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
Non-Budget									
N	Grant in Aid to NDPBs supporting Schools	-	-	6,264,410	6,264,410	-	6,264,410	-	-
O	Grant in Aid to NDPBs supporting Children and Families	-	-	198,712	198,712	-	198,712	-	-
P	Grant in Aid to NDPBs supporting Youth	-	-	196,657	196,657	-	196,657	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
Q	Activities to Support All Functions (AME)	-	334	-	334	-	334	-	-
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare									
		-	22,325	1,954,901	1,977,226	-	1,977,226	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Support for Sure Start, Early Years and Childcare not paid through Local Authorities	-	22,325	37,001	59,326	-	59,326	-	-
<i>Support for Local Authorities</i>									
B	Current Grants to Local Authorities to support Sure Start, Early Years and Childcare	-	-	1,440,625	1,440,625	-	1,440,625	-	-
C	Capital Grants to Local Authorities to support Sure Start, Early Years and Childcare	-	-	452,425	452,425	-	452,425	-	-
Non-Budget									
D	Grant in Aid to NDPBs supporting Children and Families	-	-	24,850	24,850	-	24,850	-	-
Total for Estimate:									
		201,930	1,890,580	54,166,012	56,258,522	134,139	56,124,383	45,984	3,581

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	55,313,411	810,972	56,124,383
Voted capital items			
Capital	19,600	26,384	45,984
Less Non-operating A-in-A	-	3,581	3,581
Total net voted capital	19,600	22,803	42,403
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	6,691	-	6,691
Depreciation	-8,266	-	-8,266
New provisions and adjustments to previous provisions	-922	-	-922
Profit/loss on sale of assets	-	-6	-6
Prior period adjustments	-	-	-
Other non-cash items	-450	-	-450
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	35,648	-	35,648
Total accruals to cash adjustments	32,701	-6	32,695
Excess cash to be CFERd	-	-	-
Net Cash Requirement	55,365,712	833,769	56,199,481

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	550	<i>550</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	-	-	550	<i>550</i>

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	192,872
RfR 2	-
Total Net Administration Costs	192,872
Net Programme Costs	
RfR 1	53,954,285
RfR 2	1,977,226
Non-voted	-550
Total Net Programme Costs	55,930,961
Total Net Operating Cost	56,123,833
<i>of which:</i>	
Net Resource Requirement	56,124,383
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-550
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	49,537,973

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	56,124,383
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-550
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	56,123,833
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-6
Capital grants	-1,116,904
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-5,468,950
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	49,537,973
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	49,537,639
Annually Managed Expenditure (AME)	334

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	42,403
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	6,414,571
Capital grants	1,116,904
European Union income related to capital grants	-
Supported capital expenditure (revenue)	944,700
Capital spending by levy funded bodies	-
Unallocated capital provision	21
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-944,700
Capital Budget (Budget)	7,573,899
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,573,899
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

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

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

Mr David Bell, Permanent Head of Department, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Mr David Bell, Permanent Head of Department is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	9,058
<i>of which:</i>	
Sale of goods and services	9,058
Programme	125,081
<i>of which:</i>	
Sale of goods and services	11,760
Other grant income (including repayments of grants/subsidies)	19,794
Interest and dividends	47
Other income (including receipts)	93,480

Total RfR 1	134,139†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sale of National Record of Achievement products; receipts in connection with Childcare Link; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools; 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; receipts from the Department for Business, Innovation and Skills for administration shared services; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students;

contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; receipts for Teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Music Manifesto Champion;

Food Standards Agency receipts; and of research and miscellaneous services and projects; inspection of Jobcentre Plus from the Department of Work and Pensions; Strengthening Families receipts from the Home Office; Literacy and Numeracy receipts; London Challenge receipts; receipts from the Department of Health for Investors in People Healthy Organisations; contributions from other Government Departments to support schools, children's programmes and youth work; receipts from the Department for Communities and Local Government for Community Cohesion: receipts from other Government Departments for Academies and Area Based Grants.

Total Operating A in A	134,139
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	3,581
<i>of which:</i>	
Sale of assets	3,045
Loan, etc, repayments	536

Total RfR 1	3,581†
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† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loans to former grant-maintained schools and discretionary loans paid under Schedule 3 of the School Standards and Framework Act 1998 and receipts from the sale of surplus land, buildings and equipment.

Total Non-Operating A in A	3,581
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Notes to the Estimate (*continued*)**Analysis of Consolidated Fund extra receipts**

	£'000	
	2009-10 Provision Income	<i>Receipts</i>
Other Income Φ	550	550
Total	550	550

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000				
	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	368,992	127,833	48,111,610	1,426,029	49,537,639
<i>of which:†</i>					
Administration budget	10,520	-	192,872	-	192,872
Near-cash in RDEL	368,992	127,833	48,108,997	1,465,642	49,574,639
Capital DEL††	-2,316,354	2,516,040	1,370,207	6,203,692	7,573,899
Less Depreciation†††	-	-1,584	-7,932	-5,143	-13,075
Total DEL	-1,947,362	2,642,289	49,473,885	7,624,578	57,098,463

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	137,720

Notes to the Estimate (*continued*)

Changes in Accounting Policies

Adjustment relating to a change in accounting policy as a consequence of implementing International Financial Reporting Standards under IAS 19 Accrued Employee Benefits.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Notes to the Estimate (*continued*)
Grants in aid

RfR/Section	Body	£'000
RfR1- N	British Educational Communications and Technology Agency♥	120,153
RfR1- N	National College for Leadership of Schools and Children's Services♥	128,297
RfR1- N	Schools Food Trust♥	9,527
RfR1- N	Training and Development Agency for Schools♥	776,943
RfR1- N	Partnerships for Schools♦	5,229,490
RfR1- O	Children and Families Court Advisory and Support Service♥	131,850
RfR1- O	Children's Commissioner♥	2,704
RfR1- O	Childrens' Workforce Development Council♥	64,158
RfR1- P	Qualifications and Curriculum Authority♥	196,657
RfR2- D	Childrens' Workforce Development Council♥	24,850
	Total	6,684,629

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Non-statutory	
In order to ensure the continued occupancy of a surplus government office, the lease of the property in Histon, Cambridge was assigned in 2003 to Opportunity Links Ltd. They are a company limited by guarantee, working closely with the DCSF to support the delivery of information to families. Under the terms of the original lease the Secretary of State is guarantor of the tenants' obligations and in the event of Opportunity Links ceasing to exist, the Secretary of State will be required to take over the lease obligations.	1,170
Qualification and Curriculum Authority indemnity - Minerva Diploma Aggregation Service (DAS) in respect of claims against the Qualifications and Curriculum Authority (QCA)	46,000
The Department will give an indemnity to the landlord for Spring Place, Coventry, occupied by OFQUAL, an independent part of the Qualifications and Curriculum Authority (QCA). Spring Place was originally taken by the Adult Learning Inspectorate (ALI) and the lease was guaranteed by the Secretary of State. When ALI was taken over by OFSTED the property was assigned to QCA (OFQUAL) in April 2008.	4,523
The Department will give an indemnity in respect of legal claims against the Qualifications and Curriculum Authority (QCA) arising from claims materialising from the National Curriculum Test (NCT) 2009 contract.	2,000
The Department has entered into contingent liabilities, in connection to Private Finance Initiative (PFI) contracts, in respect of Academies. The Department will provide an indemnity to the local authority for potential costs on buildings they own, with existing PFI arrangements.	419,750

Teachers' Pension Scheme (England & Wales)

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Teachers' pensions			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Changes in Annually Managed Expenditure (AME)</u>			
A3	Changes in closing Pension Liability resulting in increased interest charges.	165,193,000	
A5	Changes in forecast receipts due to changing teacher numbers.		-16,041,000
<u>Totals</u>		165,193,000	-16,041,000
Total RfR 1		149,152,000	
Total change in resources for Estimate:		149,152,000	

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

Teachers' Pension Scheme (England & Wales)

Part I

	£
Request for Resources 1: Teachers' pensions	149,152,000
Total additional net resource requirement	149,152,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Teachers' Pension Scheme (England & Wales) 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 **Teachers' Pension Scheme (England & Wales)** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Teachers' pensions		165,193	16,041	149,152	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Pension and associated payments	10,346,361	165,193	16,041	149,152	10,495,513
Total for Estimate:		165,193	16,041	149,152	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	2,200,492	-	2,200,492

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Teachers' pensions									
-	-	15,366,578	15,366,578	4,871,065	10,495,513	-	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Pension and associated payments								
-	-	15,366,578	15,366,578	4,871,065	10,495,513	-	-		
Total for Estimate:									
-	-	15,366,578	15,366,578	4,871,065	10,495,513	-	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	10,346,361	149,152	10,495,513
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-15,195,391	-166,486	-15,361,877
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	13,193	2,234	15,427
Increase (-) / Decrease (+) in creditors	-21,223	4,575	-16,648
Use of provisions	7,057,552	10,525	7,068,077
Total accruals to cash adjustments	-8,145,869	-149,152	-8,295,021
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,200,492	-	2,200,492

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Combined Revenue Account

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	10,495,513
<i>of which:</i>	
Income	
Contributions received	4,798,572
Transfers in	69,180
Other income receivable	3,313
Total Income	<u>4,871,065</u>
Expenditure	
Increase in liability	5,229,233
Interest on scheme liability	10,132,644
Other expenditure	4,701
Total Expenditure	<u>15,366,578</u>
Non-voted	<u>-131</u>
Total Net Programme Costs	10,495,382
Total Net Operating Cost	10,495,382
<i>of which:</i>	
Net Resource Requirement	10,495,513
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-131
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	10,495,382

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	10,495,513
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-131
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	10,495,382
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	10,495,382
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	10,495,382

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

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

Mr David Bell Permanent Head of the Department, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Mr David Bell Permanent Head of the Department is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Teachers' pensions	
Programme	4,871,065
<i>of which:</i>	
Pension scheme related income	4,871,065
Total RfR 1	4,871,065†
<i>† Amount that may be applied as operating 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.</i>	
Total Operating A in A	4,871,065

Notes to the Estimate (*continued*)**Cash which may be retained to offset expenditure**

	£'000
	Revised
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.	4,871,065

Office for Standards in Education, Children's Services and Skills

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
A2	Take up of Departmental Unallocated Provision to allow Ofsted to invest in change projects to deliver the long term efficiency.	3,515,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer from DCSF relating to the inspection of early years provision under EYFS	8,100,000	
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
A2	Transfer of resource to capital expenditure to cover the cost of changes related to IFRS treatment of a lease.		-400,000
<u>Other changes in DEL spending</u>			
A2	Increase relating to the IFRS treatment of a lease.	2,618,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2,A5	Increase in income for new registrations and inspections, fully offset by increase in gross expenditure on registration and inspection activity	1,000,000	-1,000,000
<u>Totals</u>		15,233,000	-1,400,000
Total RfR 1		13,833,000	
Total change in resources for Estimate:		13,833,000	

Introduction

Changes in capital

Section Reason for Change

RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting

Changes related to movements in budgets

Transfers from resources to capital

A7	Increase in capital expenditure to cover the cost of changes related to IFRS treatment of a lease.	400,000	
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Totals

	400,000	-
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Total RfR 1

	400,000
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Total changes in capital for Estimate:

	400,000
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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 £11,615,000.
3. Symbols are explained in the Introduction to this booklet.

Office for Standards in Education, Children's Services and Skills

Part I

	£
Request for Resources 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	13,833,000
Total additional net resource requirement	13,833,000
Additional net cash requirement	11,615,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Office for Standards in Education, Children's Services and Skills on:

RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting

The registration and inspection of childcare and arrangements for the care and support of children and young people, the inspection of all maintained and some independent schools, further education, all publicly-funded adult education and training and some privately-funded training provision, teacher training and the Children and Family Court Advisory Support Service, as well as the comprehensive area assessment of local children's services provision and associated non-cash items.

The **Office for Standards in Education, Children's Services and Skills** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting					
		14,833	1,000	13,833	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration and Inspection	188,385	14,833	1,000	13,833	202,218
Total for Estimate:		14,833	1,000	13,833	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	981	400	1,381
Non-Operating A in A	-	-	-
Net cash requirement	190,151	11,615	201,766

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	8
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting								
28,115	189,603	-	217,718	15,500	202,218	1,381		-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration and Inspection							
28,115	189,603	-	217,718	15,500	202,218	1,381		-
Total for Estimate:								
28,115	189,603	-	217,718	15,500	202,218	1,381		-

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	188,385	13,833	202,218
Voted capital items			
Capital	981	400	1,381
Less Non-operating A-in-A	-	-	-
Total net voted capital	981	400	1,381
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	730	-	730
Depreciation	-894	-2,618	-3,512
New provisions and adjustments to previous provisions	-278	-	-278
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-	-65
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	1,292	-	1,292
Total accruals to cash adjustments	785	-2,618	-1,833
Excess cash to be CFERd	-	-	-
Net Cash Requirement	190,151	11,615	201,766

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	28,020
Total Net Administration Costs	28,020
Net Programme Costs	
RfR 1	174,198
Non-voted	-
Total Net Programme Costs	174,198
Total Net Operating Cost	202,218
<i>of which:</i>	
Net Resource Requirement	202,218
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	202,218

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	202,218
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	202,218
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	202,218
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	202,218
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	1,381
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	1,381
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,381
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

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

Christine Gilbert, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Christine Gilbert is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	
Administration	95
<i>of which:</i>	
Sale of goods and services	95
Programme	15,405
<i>of which:</i>	
Sale of goods and services	15,405
Total RfR 1	15,500†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: transactions with departmental, public and other government bodies; miscellaneous asset sales and recoveries, property charges made to minor occupiers, registration and inspection fees within our remit (as applicable); commissioned work; and charges for training of inspectors other than Ofsted staff (including training material and licences).</i>	
Total Operating A in A	15,500

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	13,833	-3,515	202,218	-	202,218
<i>of which: †</i>					
Administration budget	-	-	28,020	-	28,020
Near-cash in RDEL	11,215	-3,515	199,093	1,292	200,385
Capital DEL ††	400	-	1,381	-	1,381
Less Depreciation †††	-2,618	-	-3,512	-	-3,512
Total DEL	11,615	-3,515	200,087	-	200,087

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	15,500

Notes to the Estimate (*continued*)

Changes in Accounting Policies

This Supplementary Estimate reflects the full adoption of International Financial Reporting Standards with effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate

Department of Health

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Securing health care for those who need it.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	A net transfer from the Ministry of Justice for prison healthcare and a refund of the Migrant Impact fund made available to the Home Office.	3,422,000	
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
A2	Forecast profit on disposal of assets		-4,764,000
<u>Transfers to resource spending from capital spending (capital grants)</u>			
F3	Revised forecast of local authority capital grants	97,605,000	
A3	Revised forecast of PCT capital grants		-134,461,000
A3	Capital grant funding for public corporations.	16,400,000	
<u>Changes in operating appropriations in aid (not offset by changes in spending)</u>			
G5	AME interest on credit guarantee finance loans.		-12,224,000
<u>Other changes in DEL spending</u>			
A2	Changes following the introduction of International Financial Reporting Standards.	105,082,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
G2	Changes in impairments levels as a result of revaluations.	122,725,000	
<u>Other changes</u>			
<u>Resource transfers to another Request for Resources 2</u>			
A2	Finalisation of central budgets programme resulting in a net transfer.		-47,747,000
<u>Resource transfers within the Request for Resources</u>			
A2	Transfer to Line D2 to meet costs of General Ophthalmic Service.		-2,000,000

Introduction

D2	Transfer from Line A2 for cover the increase in this demand led budget.	2,000,000	
A3	Additional revenue grant transfer.	7,195,000	
F3	Revised grant expenditure		-165,765,000
A2	Additional revenue transfer	158,570,000	
<u>Transfers to/from non-voted spending</u>			
A2	Transfer from non voted capital DEL to cover on vote revenue expenditure.	200,000,000	
A2	Finalisation of non departmental public bodies and NHS trusts budgets and changes made following introduction of International Financial Reporting Standards.		-31,617,000
<u>Reduction in non-budget spending</u>			
H3	Reduction in grant in aid funding.		-92,232,000
J2	Changes following the introduction of International Financial Reporting Standards	62,566,000	
I5	Revised forecast of National Insurance Contributions from HMRC.	525,421,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
E2	Increased spending from additional income	7,728,000	
E5	Additional research and development income as reimbursement for work on behalf of the Medical Research Council		-7,728,000
<u>Totals</u>		1,308,714,000	-498,538,000
<u>Total RfR 1</u>		810,176,000	

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

Section Reason for Change

Changes related to movements in budgets

Take up of Departmental Unallocated Provision

D2	To meet demand led EEA medical costs provisions.	100,000,000	
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Transfers of budgetary cover to/from other government departments

A1	Transfer from the Cabinet Office for services of the Parliamentary Counsel.	426,000	
C2	Transfer to the Department for International Development for the International Health Links funding scheme.		-280,000

Introduction

Transfers from resource spending to capital spending (capital grants)

A5	Capital grant income received from the Department of Energy and Climate Change.		-326,000
E3	Budget increase following finalisation personal social services grants	12,150,000	

Other changes

Resource transfers to/from Request for Resources 1

Finalisation of central budgets programme resulting in a net transfer from RfR1

A1	Departmental administration costs	4,000,000	
A2	Departmental administration other		-435,000
B2	NHS Purchasing and Supplies Authority	32,110,000	
C2	Other services	11,752,000	
E2	Personal social services	320,000	

Resource transfers within the Request for Resources

Mainly transfer between grants and other current expenditure following finalisation of budgets

A2	Departmental administration other	1,532,000	
B2	NHS Purchasing and Supplies Authority		-1,532,000
C2	Other services		-40,564,000
C3	Other services grants	32,816,000	
E2	Personal social services	56,315,000	
E3	Finalisation of grants and other current expenditure budgets.		-48,715,000
F2	Medicines and Healthcare Regulatory Authority capital charges budget	148,000	

Changes in operating appropriations in aid (fully offset by changes in spending)

A1	Central administration	1,320,000	
A2	Other administration expenditure	1,360,000	
A5	Increased income mainly from accommodation and a contribution for healthy start.		-2,680,000
C2	Other services	2,156,000	
C5	Other service income mainly from contributions for mobile phone research		-1,481,000
D2	Healthy Start programme and EEA medical costs.	21,266,000	
D5	Contributions from other countries.		-21,266,000
E5	Personal social services - reduced forecast of income	320,000	
F5	Medicines and Healthcare Products Regulatory Agency interest on loans		-995,000

Totals **277,991,000** **-118,274,000**

Total RfR 2 **159,717,000**

Total change in resources for Estimate: **969,893,000**

Introduction

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Other changes in DEL spending

A7	Changes following the introduction of International Financial Reporting Standards	16,042,000	
A7	Transfer to RfR2 following finalisation of budgets.		-20,288,000

Changes in Annually Managed Expenditure (AME)

G7	Additional loan made on credit guarantee finance projects.	7,032,000	
G8	Repayment of loans		-1,065,000

Other changes

Transfers to/from non-voted spending

A7	Transfer following finalisation of NDPB capital requirements		-4,396,000
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Transfers from capital grants to capital

A7	Transfer to capital grants for public corporations.		-16,400,000
A7	Transfer following finalisation of grant budgets	134,461,000	
A7	Transfer to subhead F3 to meet additional requirement on capital grants.		-97,605,000
A7	Transfer to RfR2 E3 personal social services to fund capital grants.		-12,150,000

Changes in non-operating appropriations in aid (fully offset by changes in spending)

A7	Revised capital spending following latest estimates of capital income	158,223,000	
A8	Revised forecast of capital income.		-158,223,000

Totals

315,758,000 -310,127,000

Total RfR 1

5,631,000

Introduction

Section Reason for Change

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

Changes related to movements in budgets

Other changes in DEL spending

A7	Transfer to meet additional administration capital expenditure.	500,000
C7	Transfer to meet additional expenditure.	575,000
E7	Transfer to meet additional expenditure on personal social services.	19,213,000

Other changes

Transfers from capital grants to capital

A7	Increase expenditure financed from income from the Department of Energy and Climate change.	326,000
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<u>Totals</u>	20,614,000	-
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Total RfR 2	20,614,000
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Total changes in capital for Estimate:	26,245,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £606,272,000.
- Symbols are explained in the Introduction to this booklet.

Department of Health

Part I

	£
Request for Resources 1: Securing health care for those who need it.	810,176,000
Request for Resources 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health†	159,717,000
Total additional net resource requirement	969,893,000
Additional net cash requirement	606,272,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department of Health on:

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

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

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

Revenue and capital administration, including certain expenditure on behalf of the Department 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, information services for health and personal social services; health promotion activities (including those funded through the Department for Culture, Media and Sport); provision of personal social services (including grants to local authorities); payments to local authorities for use in local area agreements; medical treatment given to people from the United Kingdom in the European Economic Area and other countries ; healthy start programme; Home Office inspection of laboratories; grants in aid; payments and subscriptions to international organisations; education and training for all health care professionals (excluding doctors); the Employment Opportunities Fund programme; services provided to or on behalf of the Scottish Government, Welsh Assembly Government, Northern Ireland and the Medicines and Healthcare Products Regulatory Agency, and associated non-cash items

Part I

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.

† In the Winter Supplementary Estimate, RFR2 was titled "Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health"

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Securing health care for those who need it.						
		304,707	-505,469	810,176		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Strategic health authorities and primary care trusts unified budgets and central allocations	96,719,877	270,080	-	270,080	96,989,957
D	FHS - general ophthalmic services	468,000	2,000	-	2,000	470,000
E	Research and Development	893,866	7,728	7,728	-	893,866
<i>Support for Local Authorities</i>						
F	Strategic health authorities and primary care trusts grants to local authorities	194,000	-68,160	-	-68,160	125,840
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
G	Hospital financing for credit guarantee finance pilot projects and certain health authority and primary care trust impairments.	530,058	122,725	12,224	110,501	640,559
Non-Budget						
H	Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest	-1,165,865	-92,232	-	-92,232	-1,258,097
I	NHS contributions	-18,550,757	-	-525,421	525,421	-18,025,336
J	IFRS non budget changes*	239,218	62,566	-	62,566	301,784
RfR 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health						
		186,145	26,428	159,717		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Central department	225,980	8,203	3,006	5,197	231,177

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	NHS Purchasing and Supplies Authority	28,587	30,578	-	30,578	59,165
C	Other services including medical, scientific and technical services, grants to voluntary bodies, information services and health promotion activities.	294,787	5,880	1,481	4,399	299,186
D	Healthy start programme and European Economic Area and other countries medical costs	771,766	121,266	21,266	100,000	871,766
E	Other personal social services	225,965	20,070	-320	20,390	246,355
F	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.	-1	148	995	-847	-848
Total for Estimate:			490,852	-479,041	969,893	

Capital and Cash

		£'000		
		Present Provision	Changes in Provision	New Provision
Total Capital Expenditure		4,095,323	185,533	4,280,856
Non-Operating A in A		601,000	159,288	760,288
Net cash requirement		82,918,850	606,272	83,525,122

* This increase in non-budget spending due to the adoption of IFRS is offset by reductions in Departmental Expenditure Limit (DEL) spending contained in other parts of the Estimate. The offsetting reductions may not be visible in this table, but further information is included in the Introduction to the Estimate.

Part II: Revised subhead detail including additional provision

							£'000		
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Securing health care for those who need it.									
-	102,681,484	446,155	103,127,639	22,275,066	80,852,573	4,238,190	760,288		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Strategic health authorities and primary care trusts unified budgets and central allocations						2,377,920	228,223	
-	99,199,407	312,412	99,511,819	2,521,862	96,989,957				
B	FHS - pharmaceutical services						-	-	
-	1,145,000	-	1,145,000	-	1,145,000				
C	FHS - prescription charges income						-	-	
-	-	-	-	431,000	-431,000				
D	FHS - general ophthalmic services						-	-	
-	470,000	-	470,000	-	470,000				
E	Research and Development						-	-	
-	902,594	-	902,594	8,728	893,866				
<i>Support for Local Authorities</i>									
F	Strategic health authorities and primary care trusts grants to local authorities						-	-	
-	-	125,840	125,840	-	125,840				
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
G	Hospital financing for credit guarantee finance pilot projects and certain health authority and primary care trust impairments.						7,032	1,065	
-	662,699	-	662,699	22,140	640,559				
Non-Budget									
H	Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest						1,500,000	531,000	
-	-	7,903	7,903	1,266,000	-1,258,097				
I	NHS contributions						-	-	
-	-	-	-	18,025,336	-18,025,336				
J	IFRS non budget changes						353,238	-	
-	301,784	-	301,784	-	301,784				

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 2: Securing social care for adults who need it and, at national level, protecting, promoting and improving the nation's health								
223,426	1,323,779	1,999,256	3,546,461	91,907	3,454,554	42,666	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Central department							
	223,426	14,672	-	238,098	6,921	231,177	21,794	-
B	NHS Purchasing and Supplies Authority							
	-	61,506	-	61,506	2,341	59,165	1,084	-
C	Other services including medical, scientific and technical services, grants to voluntary bodies, information services and health promotion activities.							
	-	242,948	61,632	304,580	5,394	299,186	575	-
D	Healthy start programme and European Economic Area and other countries medical costs							
	-	947,766	-	947,766	76,000	871,766	-	-
E	Other personal social services							
	-	56,739	189,871	246,610	255	246,355	19,213	-
F	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.							
	-	148	-	148	996	-848	-	-
<i>Support for Local Authorities</i>								
G	AIDS support grant							
	-	-	24,900	24,900	-	24,900	-	-
H	Extra Care housing grant							
	-	-	40,000	40,000	-	40,000	-	-
I	Area Based Grant							
	-	-	968,326	968,326	-	968,326	-	-
J	Learning Disabilities							
	-	-	31,000	31,000	-	31,000	-	-
K	Transforming Personalisation, Prevention & Well-being (TPPW)							
	-	-	192,000	192,000	-	192,000	-	-
L	Stroke Strategy							
	-	-	15,000	15,000	-	15,000	-	-
M	Common Assessment Framework							
	-	-	11,000	11,000	-	11,000	-	-
N	Social Care Infrastructure							
	-	-	16,000	16,000	-	16,000	-	-
O	Social Care Capital							
	-	-	27,727	27,727	-	27,727	-	-

Part II: Revised subhead detail including additional provision

		Resources					Capital		£'000
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
P	Mental Health Capital	-	-	22,593	22,593	-	22,593	-	-
	Non-Budget								
Q	Grant in Aid funding of non-departmental public bodies and special health authorities	-	-	399,207	399,207	-	399,207	-	-
	RfR 3: Office of the Independent Regulator for NHS Foundation Trusts								
		-	-	16,097	16,097	-	16,097	-	-
	Non-Budget								
A	Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts	-	-	16,097	16,097	-	16,097	-	-
Total for Estimate:									
	223,426	104,005,263	2,461,508	106,690,197	22,366,973	84,323,224	4,280,856	760,288	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	83,353,331	969,893	84,323,224
Voted capital items			
Capital	4,095,323	185,533	4,280,856
Less Non-operating A-in-A	601,000	159,288	760,288
Total net voted capital	3,494,323	26,245	3,520,568
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-702,401	-103,646	-806,047
Depreciation	-1,563,181	-148,320	-1,711,501
New provisions and adjustments to previous provisions	-3,120,739	-47,341	-3,168,080
Profit/loss on sale of assets	-	4,764	4,764
Prior period adjustments	-	-	-
Other non-cash items	-522	-87	-609
Increase (+) / Decrease (-) in stock	-100,000	-	-100,000
Increase (+) / Decrease (-) in debtors	-60	605	545
Increase (-) / Decrease (+) in creditors	64,204	-12,121	52,083
Use of provisions	1,493,895	-83,720	1,410,175
Total accruals to cash adjustments	-3,928,804	-389,866	-4,318,670
Excess cash to be CFERd	-	-	-
Net Cash Requirement	82,918,850	606,272	83,525,122

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	-
RfR 2	218,191
RfR 3	-
Total Net Administration Costs	218,191
Net Programme Costs	
RfR 1	80,852,573
RfR 2	3,236,363
RfR 3	16,097
Non-voted	-
Total Net Programme Costs	84,105,033
Total Net Operating Cost	84,323,224
<i>of which:</i>	
Net Resource Requirement	84,323,224
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	103,975,781

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	84,323,224
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	84,323,224
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	4,764
Capital grants	-458,114
European Union income related to capital grants	-
Voted expenditure outside the budget	18,989,552
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	976,673
Unallocated resource provision	3,012
Other adjustments	136,670
Resource Budget (Budget)	103,975,781
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	100,288,208
Annually Managed Expenditure (AME)	3,687,573

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	3,520,568
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	2,625,901
Capital grants	458,114
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-1,322,564
Capital Budget (Budget)	5,282,019
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,276,052
Annually Managed Expenditure (AME)	5,967

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Mr David Nicholson, NHS Chief Executive

Request for Resources 2: Mr Hugh Taylor, Permanent Head

Request for Resources 3: Mr Hugh Taylor, Permanent Head

Mr Hugh Taylor, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Mr Hugh Taylor is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	22,275,066
<i>of which:</i>	
Sale of goods and services	2,961,590
Regulatory licences, fines, penalties and taxes	18,025,336
Interest and dividends	1,288,140
Total RfR 1	22,275,066†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for accommodation, income from goods and services to private and NHS patients, local authorities, Ministry of Defence and other bodies; income from income generation schemes; income from local authorities under joint finance arrangements; income from fines and penalty notices; income in respect of medical and dental education levy; income from the licensing of software and NHS logo; income in respect of settlement of legal claims; dividends and interest from loans and investments; income from intellectual property; income of the NHS Business Services Authority; income for research and development;

prescription fraud charges; income from NHS prescription, dental and ophthalmic fraud 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; income from the sale of medicines, vaccines, antivenoms, antitoxins and equipment; income from premiums applied to the sale of stock;

contributions from employers and employees towards the cost of the NHS; income from social exclusion programmes and Agenda for Change programme; income from the Scottish Government, the Welsh Assembly Government, 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 from conference events;

income for prison healthcare including income from the Ministry of Justice; income for substance misuse funding including from the Department of Children, Schools and Families; income from radio communication bandwidth; income secured by counter fraud services from all sources including compensatory elements and refunds; compensation income including the National programme for IT; and payments of interest and dividends on PDC by NHS trusts and NHS foundation trusts.

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

Administration	5,235
<i>of which:</i>	
Sale of goods and services	5,235
Programme	86,672
<i>of which:</i>	
Sale of goods and services	85,350
Interest and dividends	996
Other income (including receipts)	326
Total RfR 2	91,907†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: administration income from seconded officers; cost of legal proceedings; Employment Opportunities Fund programme; staff telephone calls; staff lease cars scheme; European Fast Stream programme; recoveries from other government departments (including capital grants) and non-departmental public bodies; income from the NHS, local authorities, and Medicines and Healthcare Products Regulatory Agency for goods and services; staff accommodation; reimbursement of meetings expenses and selling services into wider markets; library income and open government; income from commercial tenants in DH buildings; NHS Purchasing and Supplies Authority income for supplier rebates, seconded and hired officers, staff telephone calls, access for non NHS bodies to supply contracts, recharge of meeting expenses, recharge of course and exam expenses, courses and event cancellation charges, retention of staff training course deposits, 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, Human Tissue Authority, General Social Care Council, Care Quality Commission, income from other european economic area countries for NHS treatment of their residents; sale of subsidised dried milk; income from the European Community; contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; refunds from voluntary organisations; contributions to local authority grant schemes;

refunds from communication campaigns contracts and contributions towards the cost of communication campaigns; income from penalty charges; interest and dividend income on trading fund loans; income from the Scottish Government, Welsh Assembly Government, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from the European Union for the reimbursement of staff travel expenses and for goods and services.

Total Operating A in A	22,366,973
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	760,288
<i>of which:</i>	
Sale of assets	228,223
Loan, etc, repayments	532,065

Total RfR 1	760,288†
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† Amount 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. Income from the sale of medicines, vaccines, antivenoms, antitoxins and equipment.

Total Non-Operating A in A	760,288
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	377,033	-37,925	101,795,986	-1,507,778	100,288,208
<i>of which: †</i>					
Administration budget	4,426	-	218,191	-	218,191
Near-cash in RDEL	256,448	-28,276	96,935,132	-208,409	96,726,723
Capital DEL ††	11,646	-136,448	2,650,151	2,625,901	5,276,052
Less Depreciation †††	30,042	-109,422	-902,961	-177,166	-1,080,127
Total DEL	418,721	-283,795	103,543,176	940,957	104,484,133

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	23,127,261

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1/A	Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work	7,081

Grants in aid

RfR/Section	Body	£'000
RfR1 /H	Council for Healthcare Regulatory Excellence ♥	1,994
RfR1 /H	Post Graduate Medical Education Training Board ♥	1,535
RfR1 /H	NHS Appointments Commission ♥	4,310
RfR2/Q	Health Protection Agency ♥	218,423
RfR2/Q	Human Fertilisation and Embryology Authority/ Human Tissue Authority♥	4,205
RfR2/Q	General Social Care Council ♥	30,579
RfR2/Q	Care Quality Commission ♥	146,000
RfR3/A	Office of the Independent Regulator for NHS foundation trusts ♥	16,097

Notes to the Estimate (*continued*)

Changes in Accounting Policies

This Supplementary Estimate reflects the full adoption of International Financial Reporting Standards with effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
RfR1	
Statutory contingent liabilities exists to meet:	
i) an indemnity to water undertakers in respect of costs, damages, and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from fluoridation; and	Unquantifiable
ii) overdraft guarantees for NHS trusts	Nil
Non-statutory contingent liabilities	
i) the Department has undertaken to meet the legal and other costs of medical and nursing staff engaged on clinical trials approved by the National Blood Authority (NBA) of new blood products manufactured by the Bio-Products Laboratory, a part of the NBA, and the costs of any claims for damages from patients arising from clinical trials of the new products (NBA is now part of NHS Blood and Transplant);	Unquantifiable
ii) an indemnity to water undertakers in respect of costs, damages and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from supplying water which has been fluoridated by another water undertaker and which therefore is not covered by the statutory guarantee;	Unquantifiable
iii) in the event of a nuclear emergency it would be necessary to distribute stable iodine tablets to the general public to prevent take up of radioactive iodine. The Department has undertaken to indemnify those other than qualified medical personnel distributing the tablets against any action resulting from adverse reactions; and	Unquantifiable
iv) the Department has given an undertaking to pay legal or other costs of any damage claims arising from infections contracted by foreign nationals through contaminated blood products. These claims, should they arise, would result from a contract between the Bio-Products Laboratory (part of the National Blood Authority) and the Canadian company Haemacure for the manufacture of a plasma-based fibrin sealant product. The product would be sold exclusively in the USA.	Unquantifiable
v) indemnity into the side effects arising from the use of smallpox vaccine.	£90 million
vi) Associated health costs with the Olympics in 2012	£5 million
Statutory contingent liabilities:	
i) the Department has issued an exemption certificate to the National Radiological Protection Board in respect of any liability to its employees of the kind mentioned in section (1) of the Employers' Liability (Compulsory Insurance) Act 1969 (NRPB is now part of Health Protection Agency); and	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
ii) the Department has issued an exemption certificate to the National Biological Standards Board in respect of any liability to its employees of the kind mentioned in section (1) of the Employers' Liability (Compulsory Insurance) Act 1969.	Unquantifiable
Non-statutory contingent liabilities:	
i) the Department has undertaken to meet the cost of compensation payments arising from claims for injury arising from the immunisation of voluntary donors with specialised immunoglobulin subsequently harvested and used in the treatment of new-born babies;	Unquantifiable
ii) an indemnity for members of the independent inquiry into the backlog of histopathology samples at the Royal National Orthopaedic Hospital NHS Trust. The Department has given an undertaking to grant an indemnity in relation to any legal action against the chairman and members of the inquiry team;	Unquantifiable
iii) Indemnity for the Royal College of Physicians (RCP) review of Breakspear Hospital. The Department has given an undertaking to grant an indemnity to any legal action against the members of the review team.	Unquantifiable
iv) To cover any damages arising from NBA research activity. NBA is now NHS Blood and Transplant.	Unquantifiable
v) Indemnity for the QC conducting the alternative disputes resolution procedure into complaints raised against the NHS. The department has given an undertaking to grant an indemnity in relation to any legal action against the QC conducting the procedure.	Unquantifiable
(vi) The Department of Health has made a one off payment totalling £3,668,000 in January 2010 to Trustco (MSP) 2 Limited for disbursement to 406 beneficiaries of the Macfarlane and Eileen Trusts. There is a remote possibility that tax could become payable on £1,048,292 of these disbursements, though the prospect of this is remote as HM Revenue and Customs have said in writing that they do not consider tax to be payable on this one off payment.	1,048

National Health Service Pension Scheme

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: National Health Service Pension Scheme			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Changes in operating appropriations in aid (not offset by changes in spending)</u>			
A5	Increases in appropriations in aid in respect of higher than expected pension contributions.		-372,695,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
A3	To increase gross provision for the provision of pension and other payments to members of the National Health Service Pension Scheme	697,944,000	
<u>Totals</u>		697,944,000	-372,695,000
Total RfR 1		325,249,000	
Total change in resources for Estimate:		325,249,000	

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

National Health Service Pension Scheme

Part I

	£
Request for Resources 1: National Health Service Pension Scheme	325,249,000
Total additional net resource requirement	325,249,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the National Health Service Pension Scheme on:

RfR 1: National Health Service Pension Scheme

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: National Health Service Pension Scheme		697,944	372,695	325,249	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Pensions	12,526,645	697,944	372,695	325,249	12,851,894
Total for Estimate:		697,944	372,695	325,249	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1	-	1

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: National Health Service Pension Scheme									
-	-	21,318,212	21,318,212	8,466,318	12,851,894	-	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A Pensions	-	-	21,318,212	21,318,212	8,466,318	12,851,894	-	-	
Total for Estimate:									
-	-	21,318,212	21,318,212	8,466,318	12,851,894	-	-		

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	12,526,645	325,249	12,851,894
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-20,620,268	-697,944	-21,318,212
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-20,000	-	-20,000
Increase (-) / Decrease (+) in creditors	48,523	149,645	198,168
Use of provisions	6,068,000	320,151	6,388,151
Total accruals to cash adjustments	-14,523,745	-228,148	-14,751,893
Excess cash to be CFERd	1,997,101	-97,101	1,900,000
Net Cash Requirement	1	-	1

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund		- <i>1,997,101</i>		- <i>1,900,000</i>
Total		- 1,997,101		- 1,900,000

Forecast Combined Revenue Account

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	12,851,894
<i>of which:</i>	
Income	
Contributions received	8,096,318
Transfers in	200,000
Other income receivable	170,000
Total Income	<u>8,466,318</u>
Expenditure	
Increase in liability	10,594,376
Interest on scheme liability	10,723,836
Other expenditure	-
Total Expenditure	<u>21,318,212</u>
Total Net Programme Costs	<u>12,851,894</u>
Total Net Operating Cost	12,851,894
<i>of which:</i>	
Net Resource Requirement	12,851,894
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	12,851,894

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	12,851,894
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	12,851,894
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	12,851,894
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	12,851,894

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Nick Scholte, Chief Executive of the NHS Business Service Authority

Nick Scholte, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Nick Scholte is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: National Health Service Pension Scheme	
Programme	8,466,318
<i>of which:</i>	
Pension scheme related income	8,466,318
Total RfR 1	8,466,318†
<i>† Amount that may be applied as operating 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).</i>	
Total Operating A in A	8,466,318

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

	£'000
	2009-10 Provision Income <i>Receipts</i>
Excess cash •	- 1,900,000
Total	- 1,900,000

Notes to the Estimate (*continued*)**Cash which may be retained to offset expenditure**

	£'000
	Revised
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.	8,466,318

Food Standards Agency

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting and promoting public health in relation to food			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
A1	Increase in Admin resource expenditure to fund reorganisation within FSA Headquarters	2,000,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A2, B2	Transfer of Programme resource expenditure from FSA HQ Operations to Meat Hygiene Service Operations	12,530,000	-12,530,000
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A1, A5	Income arising from sub-let of accommodation space offset by gross expenditure	122,000	-122,000
<u>Totals</u>		14,652,000	-12,652,000
Total RfR 1		2,000,000	
Total change in resources for Estimate:		2,000,000	

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

Food Standards Agency

Part I

	£
Request for Resources 1: Protecting and promoting public health in relation to food	2,000,000
Total additional net resource requirement	2,000,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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 for Meat Hygiene Service.

The **Food Standards 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	
RfR 1: Protecting and promoting public health in relation to food						
		2,122	122	2,000		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Food Standards Agency HQ Operations	109,371	-10,408	122	-10,530	98,841
B	Meat Hygiene Service	25,000	12,530	-	12,530	37,530
Total for Estimate:			2,122	122	2,000	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	616	-	616
Non-Operating A in A	-	-	-
Net cash requirement	137,214	-	137,214

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Protecting and promoting public health in relation to food									
54,216	153,211	-	207,427	71,056	136,371	616	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Food Standards Agency HQ Operations								
54,216	49,681	-	103,897	5,056	98,841	291	-		
B	Meat Hygiene Service								
-	103,530	-	103,530	66,000	37,530	325	-		
Total for Estimate:									
54,216	153,211	-	207,427	71,056	136,371	616	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	134,371	2,000	136,371
Voted capital items			
Capital	616	-	616
Less Non-operating A-in-A	-	-	-
Total net voted capital	616	-	616
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	600	-	600
Depreciation	-1,908	-	-1,908
New provisions and adjustments to previous provisions	-1,265	-	-1,265
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-100	-	-100
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	4,900	-2,000	2,900
Use of provisions	-	-	-
Total accruals to cash adjustments	2,227	-2,000	227
Excess cash to be CFERd	-	-	-
Net Cash Requirement	137,214	-	137,214

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	51,894
Total Net Administration Costs	51,894
Net Programme Costs	
RfR 1	80,977
Total Net Programme Costs	80,977
Total Net Operating Cost	132,871
<i>of which:</i>	
Net Resource Requirement	136,371
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-3,500
Resource Budget	132,871

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	136,371
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-3,500
Other adjustments	-
Net Operating Cost (Accounts)	132,871
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	132,871
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	132,871
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	616
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	616
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	616
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Tim Smith ,Chief Executive of the Food Standards Agency

Tim Smith, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Tim Smith is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Protecting and promoting public health in relation to food	
Administration	2,322
<i>of which:</i>	
Sale of goods and services	2,322
Programme	68,734
<i>of which:</i>	
Sale of goods and services	68,734
Total RfR 1	71,056[†]
<i>† Amount that may be applied as operating 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 and also the sub-let of accommodation.</i>	
Total Operating A in A	71,056

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	-1,500	-	132,871	-	132,871
<i>of which: †</i>					
Administration budget	2,000	-	51,894	-	51,894
Near-cash in RDEL	-1,500	-	130,198	-	130,198
Capital DEL ††	-	-	616	-	616
Less Depreciation †††	-	-	-1,908	-	-1,908
Total DEL	-1,500	-	131,579	-	131,579

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	71,056

Department for Transport

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Transport that works for everyone			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
M3	To increase capital grant provision for: Railways for London & Continental Railways' Eurostar (UK) Ltd recapitalisation	20,000,000	
<u>Take up of Departmental Unallocated Provision</u>			
T1	To increase administration near cash provision for: Central Administration to cover pay costs	500,000	
M2	To increase near cash resource for: Railways to cover Support for Passenger Rail Services (SPRS) pressures	200,188,000	
G3	To increase capital grant provision for: Bus Service Operators Grant for Green Buses	5,000,000	
M3	Railways for London and Continental Railways' Eurostar (UK) Ltd recapitalisation	20,000,000	
Y3	Other transport grants (capital) for Green Buses	5,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
T1	To increase administration near cash provision for: Central Administration from the Cabinet Office in respect of the Office for Parliamentary Counsel Office costs	520,000	
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
L2	To decrease near cash provision for: Highways Agency to reflect International Financial Reporting Standards (IFRS) reclassification of renewals from resource to capital		-279,745,000

	<u>Other changes in DEL spending</u>		
	To increase near cash provision for:		
B2	Maritime and Coastguard Agency in respect of annual leave liability to reflect the revised accounting treatment under IFRS	1,200,000	
	To increase non cash provision for:		
L2	Highways Agency in respect of depreciation arising from IFRS reclassification of renewals from resource to capital	989,371,000	
	<u>Changes in Annually Managed Expenditure (AME)</u>		
	To increase non-cash provision for:		
AA2	Railways and other expenditure in respect of unwinding of discount for Channel Tunnel Rail Link	14,781,000	
AA2	Railways and other expenditure in respect of foreign exchange transaction	500,000	
	To decrease non-cash provision for:		
Z2	Highways Agency to reflect latest forecast for write downs and cost of capital charges		-432,920,000
AA2	Railways and other expenditure in respect of cost of capital charges for London & Continental Railways (-£91,741,000) and Channel Tunnel Rail Link (£80,326,000)		-11,415,000
	<u>Other changes</u>		
	<u>Resource transfers within the Request for Resources</u>		
	To re-allocate near cash administration provision for:		
N1, T1	Government Car & Despatch Agency from Central Administration in respect of EU Working Time Directive	2,100,000	-2,100,000
	To re-allocate near cash resource provision for:		
C2, F3	Aviation services, transport security & royal travel from Cleaner Fuels and Vehicles to meet Transport Security's compliance 2010 costs	1,300,000	-1,300,000
F2, X3	Cleaner Fuels and Vehicles from Other transport grants (resource) for a business travel research project in respect of recording carbon emissions	30,000	-30,000
G2, I3	Bus Service Operators Grant from Accessibility & Equalities to reflect the change of responsibility for bus and taxi accessibility	1,440,000	-1,440,000
L2, M2	Highways Agency from Railways to cover the cost of commissioning a Transport Study	600,000	-600,000
M2,	Railways to cover Support for Passenger Rail Services (SPRS) pressures, funded from:	23,900,000	
B2	Maritime and Coastguard Agency		-600,000
C2	Aviation services, transport security & royal travel		-500,000
F2	Cleaner Fuels and Vehicles		-25,000
F3	Cleaner Fuels and Vehicles		-1,975,000
U2	Research, statistics, publicity and consultancies for road and local transport		-800,000
X3	Other transport grants (resource) to cover SPRS pressures		-20,000,000
M2, X3	Railways from Other transport grants (resource)	45,000	-45,000

U2, L2	Research, statistics, publicity and consultancies & other services for roads and local transport from Highways Agency for a joint funded road research project	100,000	-100,000
U2, V3	Research, statistics, publicity and consultancies & other services for roads and local transport from Area Based Grants for Gateway Release	860,000	-860,000
U2, X3	Research, statistics, publicity and consultancies & other services for roads and local transport from Other transport grants (resource) for ITSO project (£1,000,000) and to reflect the split between Local Authorities and Central Government expenditure (£6,085,000)	7,085,000	-7,085,000
U3, X3	Research, statistics, publicity and consultancies & other services for roads and local transport from Other transport grants (resource) for London Underground PPP Arbiter (£5,130,000) and Towards a Sustainable Transport System (TaSTs) (£10,000,000)	15,130,000	-15,130,000
X3, U3	Other transport grants (resource) from Research, statistics, publicity and consultancies for roads and local transport to reflect the Local Authorities' element of the Sustainable Travel Budget	2,894,000	-2,894,000
X3, V3	Other transport grants (resource) from Area Based Grants	3,000,000	-3,000,000
B2,	To re-allocate non-cash resource provision for: Maritime and Coastguard Agency to reassess the useful life of their assets, funded from:	1,300,000	
A2	Ports and shipping services		-479,000
D2	Accident Investigation Branches		-221,000
L2	Highways Agency		-600,000
B2, L2	Maritime and Coastguard Agency from Highways Agency in connection with costs of returning tug vessels to their original state upon conclusion of contract	1,250,000	-1,250,000
U2, L2	Research, statistics, publicity and consultancies & other services for roads and local transport from Highways Agency to reflect the write down of residual asset value of a R&D project.	16,864,000	-16,864,000
W3, F3	To re-allocate capital grant resource provision for: GLA Transport grants from Cleaner Fuels and Vehicles for emerging pressures	7,000,000	-7,000,000
<u>Transfers to/from non-voted spending</u>			
L1	To increase non cash administration resource provision for: Highways Agency to reflect revised forecast utilisation of provision	1,159,000	
L2	To increase near cash resource provision for: Highways Agency to cover increased expenditure, fully offset by an increase in CFERs	4,750,000	
M2	Railways to cover SPRS pressures	28,075,000	
W3	To increase capital grant provision for: GLA Transport grants for emerging pressures	13,000,000	
L1	To decrease near cash administration resource provision for: Highways Agency to reflect revised forecast utilisation of provision		-1,159,000

M2	To decrease near cash resource provision for: Railways for London and Continental Railways to reflect payments going through London and Continental Railways holding company which has been classified as an NDPB		-54,500,000
C2	To decrease non cash resource provision for: Aviation services, transport security & royal travel to the Departmental Unallocated Provision due to reduction in opening balance of travel financial guarantee as result of revaluation (-£510,000) and in respect of writedown of a provision (-£1,250,000)		-1,760,000
L2	Highways Agency for London and Continental Railways' pension liability (-£80,000,000) and to the Departmental Unallocated Provision (-£5,894,000)		-85,894,000
M3	To decrease capital grant provision for: Railways for Rail Heritage Committee		-307,000
	<u>Increases in non-budget spending</u>		
AC3	To increase non budget provision for: Funding of NDPBs & PCs in respect of the British Transport Police Authority (£12,500,000) and London & Continental Railways (£163,000,000).	175,500,000	
	<u>Transfers from capital grants to capital</u>		
O3	To decrease capital grants for: Freight grants to Highways Agency for the Telematics project		-500,000
O3	Freight grants to Driving Standards Agency in respect of a loan		-5,076,000
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
L1, L5	Highways Agency	245,000	-245,000
L2, L5	Highways Agency	3,068,000	-3,068,000
M2,B5	Railways to meet Support for Passenger Rail Services pressures, fully offset by increased appropriation-in-aid receipts for the Maritime and Coastguard Agency	900,000	-900,000
M2,C5	Railways to meet Support for Passenger Rail Services pressures, fully offset by increased appropriation-in-aid receipts for Aviation services, transport security & royal travel	6,500,000	-6,500,000
	Totals	1,575,155,000	-968,887,000
	Total RfR 1		606,268,000
	Total change in resources for Estimate:		606,268,000

Changes in capital**Section Reason for Change****RfR 1: Transport that works for everyone****Changes related to movements in budgets**Resource transfers within the Request for Resources

Q7, P7	Vehicle & Operator Services Agency trading fund from Transformation, Licensing, Logistics & Sponsorship in respect of a loan	27,100,000	-27,100,000
R7, P7	Driving Standards Agency trading fund from Transformation, Licensing, Logistics & Sponsorship in respect of a loan	4,024,000	-4,024,000

Other changesTransfers from resources to capital

To increase capital provision for:

L7	Highways Agency to reflect IFRS reclassification of renewals from resource to capital	279,745,000	
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Transfers from capital grants to capital

To increase capital provision for:

L7	Highways Agency from Freight grants for the Telematics project	500,000	
R7	Driving Standards Agency trading fund from Freight grants in respect of a loan	5,076,000	

Totals**316,445,000 -31,124,000****Total RfR 1****285,321,000****Total changes in capital for Estimate:****285,321,000**

As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £257,734,000

Symbols are explained in the Introduction to this booklet.

Department for Transport

Part I

	£
Request for Resources 1: Transport that works for everyone	606,268,000
Total additional net resource requirement	606,268,000
Additional net cash requirement	257,734,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for Transport on:

RfR 1: Transport that works for everyone

Ports and shipping services; the National Ports Council Pension and Compensation schemes; freight grants; the Maritime and Coastguard Agency; civil and international aviation services including costs relating to type approval testing of electronic screening devices for use in enforcing aviation provisions of the Railways and Transport Safety Act 2003; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; grants to local authorities, including the Greater London Authority and Merseyrail;

payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; capital grants to Regional Development Agencies for regional infrastructure; 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; expenditure in connection with the introduction of concessionary Bus Travel for older and eligible disabled people in England;

promoting efficiencies in sustainable distribution; support to nationalised transport industries; cleaner fuels and vehicles and other transport related environment programmes; low carbon transport; Transport Direct; royal travel; transport security; the Commission for Integrated Transport; trans-European network funds; support for other minor transport services; compensation and pension costs relating to pre-DVLC local authority driver and licensing staff; grants and loans and other expenditure relating to the Driver and Vehicle Licensing Agency (trading fund); Driver and Vehicle Licensing Agency Vehicle excise duty collection and enforcement related activities, development and operation of systems associated with licensing;

Vehicle and Operator Services Agency (trading fund); Vehicle and Operator services Agency enforcement; Driving Standards Agency (trading fund); Vehicle Certification Agency; Vehicle Certification Agency enforcement; grants to London Underground; PPP Arbiter; the Channel Tunnel Rail Link; payment in support of Crossrail; National Freight Company travel concessions; railway industry and National Freight Company pension funds; the British Transport Police; the Renewable Fuels Agency; payments and financial assistance in respect of railways and railways services under Section 6 of the Railways Act 2005; accident investigation;

research, development, statistics, censuses and surveys, safety, accessibility and equalities, publicity, promotion and advice and publications, monitoring, consultancies, selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; support for the construction of venues and infrastructure related to the Olympic games; the administration and operation of the department; payments to the Department for Communities and Local Government in respect of certain central services; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets;

special payments; the central management of, and delivery of services to, the Civil Service and wider public sector; and associated non-cash items.

The **Department for Transport** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Transport that works for everyone		616,981	10,713	606,268		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Ports and shipping services	21,104	-479	-	-479	20,625
B	Maritime and Coastguard Agency	134,117	3,150	900	2,250	136,367
C	Aviation services, transport security & royal travel	47,402	-960	6,500	-7,460	39,942
D	Accident Investigation Branches	18,393	-221	-	-221	18,172
F	Cleaner Fuels and Vehicles	38,309	-10,270	-	-10,270	28,039
G	Bus Service Operators Grant	454,850	6,440	-	6,440	461,290
I	Accessibility & Equalities	10,906	-1,440	-	-1,440	9,466
L	Highways Agency	1,678,856	613,581	3,313	610,268	2,289,124
M	Railways	3,213,568	244,201	-	244,201	3,457,769
N	Government Car & Despatch Agency	-	2,100	-	2,100	2,100
O	Freight grants	29,900	-5,576	-	-5,576	24,324
T	Central Administration	207,971	-1,080	-	-1,080	206,891
U	Research, statistics, publicity and consultancies & other services for roads and local transport	123,169	36,345	-	36,345	159,514
<i>Support for Local Authorities</i>						
V	Area Based Grants	253,207	-3,860	-	-3,860	249,347

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
W GLA transport grants (resource)	2,593,000	20,000	-	20,000	2,613,000
X Other transport grants (resource)	675,144	-36,396	-	-36,396	638,748
Y Other transport grants (capital)	1,186,220	5,000	-	5,000	1,191,220
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
Z Highways Agency	4,263,702	-432,920	-	-432,920	3,830,782
AA Railways and other expenditure	53,110	3,866	-	3,866	56,976
Non-Budget					
AC Funding of NDPB's & PC's	453,614	175,500	-	175,500	629,114
Total for Estimate:		616,981	10,713	606,268	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	1,727,415	285,321	2,012,736
Non-Operating A in A	26,854	-	26,854
Net cash requirement	13,923,527	257,734	14,181,261

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Transport that works for everyone								
305,785	8,132,642	9,739,508	18,177,935	1,438,955	16,738,980	2,012,736	26,854	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Ports and shipping services	22,813	-	22,813	2,188	20,625	265	-
B	Maritime and Coastguard Agency	148,327	-	148,327	11,960	136,367	9,825	-
C	Aviation services, transport security & royal travel	38,542	59,500	98,042	58,100	39,942	346	-
D	Accident Investigation Branches	18,246	-	18,246	74	18,172	1,521	-
E	Trans European network payments for transport projects (net)	-	3	3	-	3	-	-
F	Cleaner Fuels and Vehicles	11,013	17,026	28,039	-	28,039	-	-
G	Bus Service Operators Grant	455,440	5,850	461,290	-	461,290	-	-
H	Tolled River Crossings	26,457	-	26,457	86,857	-60,400	-	-
I	Accessibility & Equalities	2,406	7,060	9,466	-	9,466	-	-
J	Support construction of venues and infrastructure related to the Olympic Games	-	240,000	240,000	-	240,000	-	-
K	Commission for Integrated Transport & Transport Direct	12,705	-	12,705	-	12,705	1,400	-
L	Highways Agency	89,950	2,247,283	2,337,233	48,109	2,289,124	1,940,321	11,554
M	Railways	1,091,597	3,552,586	4,644,183	1,186,414	3,457,769	-	-
N	Government Car & Despatch Agency	22,900	-	22,900	20,800	2,100	2,000	-
O	Freight grants	-	24,324	24,324	-	24,324	-	-
P	Transformation, Licensing, Logistics & Sponsorship	29,227	1,000	30,227	-	30,227	-	-

Part II: Revised subhead detail including additional provision

		Resources					Capital			
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating		
	1	2	3	4	5	6	7	A in A		
								8		
Q	Vehicle & Operator Services Agency trading fund	-	13,735	-	13,735	4,900	8,835	27,100	8,300	
R	Driving Standards Agency trading fund	-	2,600	-	2,600	3,800	-1,200	9,100	7,000	
S	Vehicle Certification Agency	-	11,400	-	11,400	12,500	-1,100	300	-	
T	Central Administration	192,935	17,209	-	210,144	3,253	206,891	20,000	-	
U	Research, statistics, publicity and consultancies & other services for roads and local transport	-	95,884	63,630	159,514	-	159,514	558	-	
Support for Local Authorities										
V	Area Based Grants	-	-	249,347	249,347	-	249,347	-	-	
W	GLA transport grants (resource)	-	-	2,613,000	2,613,000	-	2,613,000	-	-	
X	Other transport grants (resource)	-	-	638,748	638,748	-	638,748	-	-	
Y	Other transport grants (capital)	-	-	1,191,220	1,191,220	-	1,191,220	-	-	
Spending in Annually Managed Expenditure (AME)										
Central Government spending										
Z	Highways Agency	-	3,830,782	-	3,830,782	-	3,830,782	-	-	
AA	Railways and other expenditure	-	56,976	-	56,976	-	56,976	-	-	
Non-Budget										
AB	Driver & Vehicle Licensing Agency trading fund	-	-	240,600	240,600	-	240,600	-	-	
AC	Funding of NDPB's & PC's	-	-	629,114	629,114	-	629,114	-	-	
AD	Other Grants to GLA	-	-	206,500	206,500	-	206,500	-	-	
Total for Estimate:										
		305,785	8,132,642	9,739,508	18,177,935	1,438,955	16,738,980	2,012,736	26,854	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	16,132,712	606,268	16,738,980
Voted capital items			
Capital	1,727,415	285,321	2,012,736
Less Non-operating A-in-A	26,854	-	26,854
Total net voted capital	1,700,561	285,321	1,985,882
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,940,058	38,225	-2,901,833
Depreciation	-1,410,200	-596,082	-2,006,282
New provisions and adjustments to previous provisions	-294,180	95,536	-198,644
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,160	-500	-1,660
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	279	412	691
Increase (-) / Decrease (+) in creditors	522,832	-71,291	451,541
Use of provisions	212,741	-100,155	112,586
Total accruals to cash adjustments	-3,909,746	-633,855	-4,543,601
Excess cash to be CFERd	-	-	-
Net Cash Requirement	13,923,527	257,734	14,181,261

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	11,150	<i>11,150</i>	15,900	<i>15,900</i>
Non-operating income not classified as A in A	1,974	<i>1,974</i>	1,974	<i>1,974</i>
Other amounts collectable on behalf of the Consolidated Fund	96,191	<i>96,191</i>	96,191	<i>96,191</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>-</i>	-	<i>-</i>
Total	109,315	109,315	114,065	114,065

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	279,692
Total Net Administration Costs	<u>279,692</u>
Net Programme Costs	
RfR 1	16,459,288
Non-voted	-15,900
Total Net Programme Costs	<u>16,443,388</u>
Total Net Operating Cost	16,723,080
<i>of which:</i>	
Net Resource Requirement	16,738,980
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-15,900
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	11,251,050

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	16,738,980
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-15,900
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	16,723,080
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-4,902,212
European Union income related to capital grants	-
Voted expenditure outside the budget	-206,500
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	950
Resource consumption of non departmental public bodies	-504,391
Unallocated resource provision	157,233
Other adjustments	-17,110
Resource Budget (Budget)	11,251,050
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,158,900
Annually Managed Expenditure (AME)	4,092,150

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	1,985,882
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-1,974
Capital spending by non-departmental public bodies	413,571
Capital grants	4,902,212
European Union income related to capital grants	-
Supported capital expenditure (revenue)	901,758
Capital spending by levy funded bodies	-
Unallocated capital provision	44,788
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	17,110
Capital Budget (Budget)	8,263,347
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	8,263,347
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Robert Devereux, Permanent Head of Department

Robert Devereux, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Robert Devereux is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Transport that works for everyone	
Administration	26,093
<i>of which:</i>	
Sale of goods and services	26,093
Programme	1,412,862
<i>of which:</i>	
Sale of goods and services	1,330,260
EU Income	49,100
Interest and dividends	32,557
Other income (including receipts)	945
Total RfR 1	1,438,955†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research, statistical and administrative services; fee paying enquiries; dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences and publication (in print and non-print media); sponsorship, including contributions from co-sponsors, other government departments, agencies and non-departmental public bodies towards the cost of research, surveys and studies; receipts from the European Union, donations, legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; receipts from the use of accommodation; rental income and receipts from property and land, the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; 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; national vehicle recovery service; contributions from developers to transport schemes; recoveries of costs of civil aviation services;

the sale of civil aviation items; receipts from the British Transport Police Authority; the Channel Tunnel Rail Link, Eurostar, Cross London Rail links Limited and the Scottish Executive; receipts in respect of railways and railway services; fees and receipts from the surveys of ships, Port State Control inspections, examinations and the certification of seafarers and receipts from the Learning and Skills Council for SmarT seafarer training; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes and receipts from outside organisations in respect of the provision by MAIB staff of investigation expertise and training; Eurocontrol; receipts in respect of Vehicle Excise duty enforcement activities; Vehicle and Operator Services Agency; Driver and Vehicle Licensing Agency and the Driving Standards Agency; Other River Crossings; payments from the Department for Communities and Local Government in respect of certain central services; 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.

Total Operating A in A	1,438,955
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Analysis of non-operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Transport that works for everyone	
Programme	26,854
<i>of which:</i>	
Sale of assets	11,554
Loan, etc, repayments	15,300
Total RfR 1	26,854†

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

Total Non-Operating A in A**26,854**

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

	£'000	
	2009-10 Provision Income	Receipts
Bus Service Operator Grants Φ	200	200
Highways Agency Φ	14,750	14,750
Mairtime and Coastguard Agency Φ	950	950
Second Mersey tunnel Φ	1,974	1,974
DVLA Agency trading fund Φ	96,191	96,191
Total	114,065	114,065

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	802,705	-91,359	6,597,715	561,185	7,158,900
<i>of which: †</i>					
Administration budget	5,020	-500	279,692	-	279,692
Near-cash in RDEL	-92,053	-277,093	5,331,272	404,136	5,735,408
Capital DEL ††	342,438	-42,693	7,163,175	1,100,172	8,263,347
Less Depreciation †††	-988,627	-	-1,230,332	-31,774	-1,262,106
Total DEL	156,516	-134,052	12,530,558	1,629,583	14,160,141

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,465,809

Notes to the Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

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

RfR/Section	Service	£'000
RfR1 - M	International subscription OECD	500
RfR1 - U	Government Office programme expenditure	475

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut-off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Notes to the Estimate (*continued*)
Grants in aid

RfR/Section	Body	£'000
RfR1 - AB	Driver and Vehicle Licensing Agency trading fund ♥	240,600
RfR1 - AC	British Transport Police Authority ♥	21,422
RfR1 - AC	Rail Passenger Council ♥	6,300
RfR1 - AC	Renewable Fuels Agency ♥	1,500
RfR1 - AC	Rail Heritage Committee	500
RfR1 - AC	London and Continental Railways	390,000
RfR1 - AC	London and Continental Railways Finance Company	177,850
RfR1 - AC	Channel Tunnel Rail Link Finance Company	26,542
RfR1 - AC	High Speed two	5,000

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

Nature of Liability	£'000
<hr/> Changes since winter Supplementary Estimate	
Statutory liabilities	
Railways Act 1993, sch 11, paragraph 11: July 1993 Memorandum of Understanding between Government, BR and pension trustees about a Government solvency guarantee for the BR section of the Railways Pension Scheme in the event that section becomes unstable	lapsed

Office of Rail Regulation

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
	<u>Token increases</u>		
A1	ORR has a new income stream from the regulation of High Speed 1 Limited and requires a token Estimate to enable us to retain the new income.	1,000	
	<u>Totals</u>	1,000	-
<u>Total RfR 1</u>			1,000
<u>Total change in resources for Estimate:</u>			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.

Office of Rail Regulation

Part I

	£
Request for Resources 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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 though independent, fair and effective regulation

Administration, capital expenditure and associated non-cash items

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

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation					
		1	-	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration, associated capital and other expenditure	1	1	-	1	2
Total for Estimate:		1	-	1	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	750	-	750
Non-Operating A in A	-	-	-
Net cash requirement	1	1	2

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	8
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation								
33,815	-	40	33,855	33,852	3	750	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration, associated capital and other expenditure							
12,215	-	40	12,255	12,253	2	750	-	
B	Rail Safety Regulation							
21,600	-	-	21,600	21,599	1	-	-	
Total for Estimate:								
33,815	-	40	33,855	33,852	3	750	-	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2	1	3
Voted capital items			
Capital	750	-	750
Less Non-operating A-in-A	-	-	-
Total net voted capital	750	-	750
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	35	-	35
Depreciation	-1,026	-	-1,026
New provisions and adjustments to previous provisions	-55	-	-55
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-38	-	-38
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,084	-	-1,084
Excess cash to be CFERd	333	-	333
Net Cash Requirement	1	1	2

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	3
Total Net Administration Costs	<u>3</u>
Total Net Operating Cost	3
<i>of which:</i>	
Net Resource Requirement	3
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	3

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	3
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	3
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	3
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	750
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	750
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	750
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Bill Emery, Permanent Head of Department

Bill Emery, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Bill Emery is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation	
Administration	33,852
<i>of which:</i>	
Regulatory licences, fines, penalties and taxes	33,852
Total RfR 1	33,852†

† Amount that may be applied as operating 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 services; travel costs recovered from the European Community (EC); income from High Speed 1 Limited; Channel Tunnel Intergovernmental Commission; Channel Tunnel Safety Authority; income from recovery actions in connection with the successful legal cases; charges for administrative services to other government departments; and receipts of licence fees and safety levy.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1	-	3	-	3
<i>of which: †</i>					
Administration budget	1	-	3	-	3
Near-cash in RDEL	1	-	-1,081	-	-1,081
Capital DEL ††	-	-	750	-	750
Less Depreciation †††	-	-	-1,026	-	-1,026
Total DEL	1	-	-273	-	-273

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	33,852

Department for Communities and Local Government

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
<i>Other resource (near cash)</i>			
G	Central Administration	1,000,000	
M	Mortgage Rescue Scheme	20,000,000	
<u>Take up of Departmental Unallocated Provision</u>			
<i>Other Resource (Near-Cash)</i>			
B	Capacity Building & Efficiency Improvements in Housing		-500,000
B	Support for Voluntary & Community Sector Sustainability		-10,891,000
B	Gypsy Site Grant		-180,000
B	Residential Property Tribunal Service		-596,000
B	Valuation Office Agency Right to Buy charges		-400,000
B	Sustainable Buildings		-1,000,000
C	Renewing Neighbourhoods		-1,812,000
C	Regeneration Monitoring & Digital Inclusion		-51,000
C	Decent Mixed Communities		-10,878,000
C	Regional Chambers		-1,693,000
C	Regeneration Strategy		-282,000
C	Shanghai Expo 2010		-400,000
D	Community Empowerment		-3,923,000
D	Community Policy		-2,173,000
D	Cohesion & Race Equality		-2,446,000
D	Migration Impact Fund	400,000	
D	Tenant Empowerment		-700,000
E	Implementing Planning Reforms		-3,740,000
E	Planning Inspectorate		-1,440,000
F	Fire and Rescue Service Improvement Programme		-4,161,000
F	Emergency Fire Service		-210,000
F	Fire Service Centre of Excellence		-700,000
F	Control Rooms		-2,000,000
F	Firelink		-4,900,000
G	Central Administration		-1,000,000
J	European Regional Development Fund Losses & Write offs	59,000,000	

Introduction

K	Efficient Geographic Statistical Data		-3,214,000
K	Ordnance Survey Trading Fund		-3,580,000
L	Queen Elizabeth II Conference Centre		-1,200,000
M	Housing Management	200,000	
M	Choice Based Lettings		-588,000
M	Social Housing		-2,000,000
M	Homelessness and Housing Reform		-900,000
N	Working Neighbourhood Fund		-10,000,000
N	Sub National Economic Development		-80,000
N	Renewing Neighbourhoods	2,632,000	
N	Regeneration Strategy	441,000	
O	Community Empowerment	6,300,000	
O	Community Policy	5,500,000	
O	Tackling Extremism		-2,450,000
O	Migration Impact Fund		-4,250,000
P	Implementing Planning Reforms		-7,221,000
P	Housing & Planning Delivery Grant		-1,500,000
Q	Flood Recovery	1,000,000	
Q	New Dimension - Mass Decontamination		-3,547,000
Q	New Dimension - Search & Rescue		-2,032,000
R	Area Based Grants	2,241,000	
	<i>Other Resource (Non-Cash)</i>		
B	Residential property Tribunal Service	3,000,000	
E	E-Planning		-700,000
F	Firelink		-392,000
J	ERDF Losses & Write offs	52,000,000	
K	Ordnance Survey Trading Fund	3,580,000	
L	Queen Elizabeth II Conference Centre	260,000	
	<i>Other Resource (Capital DEL)</i>		
B	Support for Voluntary & Community Sector Sustainability		-12,784,000
F	Fire and Rescue Service Improvement Programme	315,000	
F	Control Rooms	24,963,000	
N	Local Enterprise Growth Initiative		-134,000
M	Capital Pooled Housing Receipts.		-10,000,000
Q	Fire and Rescue Service Improvement Programme		-939,000
AB	European Regional Development Fund (re-instate Estimates lines)	1,000	
AC	European Regional Development Fund (re-instate Estimates lines)	1,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
	<i>Other Resource (Near-Cash)</i>		
G	Central Administration from the Cabinet Office	819,000	
O	Migration Impact Fund from the Home Office	2,854,000	
	<u>Transfers from resource spending (capital grants) to capital spending (not capital grants)</u>		
F	Control Rooms		-31,867,000

Introduction

Other changes in DEL spending

	<i>Other Resource (Near-Cash)</i>		
B	Residential Property Tribunal Service		-63,000

Changes in Annually Managed Expenditure (AME)

	<i>Other Resource (Near-Cash)</i>		
V	Fire Service Superannuation	40,800,000	

Other changes

Resource transfers within the Request for Resources

To adjust provision for:

	<i>Other resource (near cash)</i>		
B	Rent Officer Service & Pensions Liabilities		-100,000
B	Homeowners mortgage support	850,000	
D	Tackling Extremism	4,050,000	
F	Control Rooms		-17,846,000
O	Tackling Extremism		-4,050,000
M	Rent Officer Service & Pensions Liabilities	100,000	
M	Homelessness and Housing Reform		-850,000
N	Working Neighbourhood Fund		-40,000,000
R	Area Based Grants	40,000,000	
Q	Control Rooms	17,846,000	

To adjust provision for:

	<i>Other resource (Capital DEL)</i>		
F	Control Rooms	6,904,000	
Q	Control Rooms		-6,904,000

Transfers to/from non-voted spending

	<i>Other Resource (Near-Cash)</i>		
B	Growth Areas New Growth Points & ECO Towns		-6,617,000
E	Implementing Planning Reforms		-500,000

	<i>Other Resource (Non-Cash)</i>		
F	Control Rooms		-1,717,000
F	Firelink		-1,508,000

	<i>Other Resource (Capital DEL)</i>		
B	Growth Areas New Growth Points & ECO Towns		-15,500,000

Increases in non-budget spending

	Additional provision for:		
W	Tenant Services Authority	650,000	
W	Homes and Communities Agency		-31,704,000
AA	Infrastructure Planning Commission		-220,000

Introduction

Changes in operating appropriations in aid (fully offset by changes in spending)

B	Support for Voluntary & Community Sector	5,000,000	-5,000,000
F	Control Rooms	103,000	-103,000
G	Central Administration - Other Current	1,800,000	-1,800,000
H	Government Offices	1,768,000	-1,768,000
K	Ordnance Survey Trading Fund	3,580,000	-3,580,000
L	Queen Elizabeth II Conference Centre	1,200,000	-1,200,000
M	Capital Pooled Housing Receipts	10,000,000	-10,000,000
W	Homes and Communities Agency	26,300,000	-26,300,000

To reduce provision for expenditure and corresponding appropriations in aid:

G	Central Administration	10,000,000	-10,000,000
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Totals

357,458,000 -342,784,000

Total RfR 1

14,674,000

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

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

G	Local Government Public Service Agreement (capital grant-capital DEL)	30,000,000	
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Transfers from resource spending to capital spending (capital grants)

D	Private Finance Initiative - Special Grant		-32,000,000
G	Local Government Public Service Agreement	32,000,000	

Other changes

Transfers to/from non-voted spending

G	Improvement, Transformation and Efficiency		-300,000
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Increases in non-budget spending

I	Standard Board	384,000	
I	Valuation Tribunal Service		-199,000
I	Commission for Local Administration	174,000	

Introduction

Changes in operating appropriations in aid (fully offset by changes in spending)

To increase provision for expenditure and corresponding appropriations in aid:

I	Commission for Local Administration	100,000	-100,000
	Totals	62,658,000	-32,599,000
Total RfR 2			30,059,000
Total change in resources for Estimate:			44,733,000

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Other changes

Transfers to/from non-voted spending

F	Fire and Rescue Service Improvement Programme		-1,200,000
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Transfers from capital grants to capital

F	Control Rooms	31,867,000	
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Changes in non-operating appropriations in aid (fully offset by changes in spending)

G	Central Administration	937,000	-937,000
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	Totals	32,804,000	-2,137,000
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Total RfR 1			30,667,000
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Total changes in capital for Estimate:			30,667,000
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- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £23,249,000.
-
- Symbols are explained in the Introduction to this booklet.

Department for Communities and Local Government

Part I

	£
Request for Resources 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	14,674,000
Request for Resources 2: Providing for effective devolved decision making within a national framework	30,059,000
Total additional net resource requirement	44,733,000
Additional net cash requirement	23,249,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for Communities and Local Government on:

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

housing revenue account subsidy; homelessness, rough sleepers and housing reform; payments to the Homes and Communities Agency; the Tenant Services Authority; mortgage support for homeowners; Housing for an Ageing Society; payments to the Audit Commission for registered social landlord inspections; payments to the Infrastructure Planning Commission; disabled facilities grant; capacity building and efficiency improvements; home buying and selling; payments to local authorities in respect of Area Based Grant; rent and leasehold services; social housing mobility including choice-based local authority lettings; tenant engagement; housing transfers; regional housing boards advice; the Supporting People programme; capital grants to local authorities for housing; Shanghai Expo 2010;

payments to the Commission for Architecture and the Built Environment; payments to the Valuation Office Agency in respect of Right to Buy and fair rent work; deprived neighbourhoods, including the New Deal for Communities programmes; payments to the Department for Culture, Media and Sport in respect of free swimming; payments to the Department for Business, Innovation and Skills for Regional Development Agencies and the London Development Agency; Groundwork; digital inclusion; tackling worklessness; initiatives to accelerate the growth areas, including transport schemes and payments to development corporations and other local delivery agencies; Support for the construction of venues and infrastructure related to the Olympic Games; grants and payments for creating and improving parks and public spaces; co-ordinating strategy for dealing with abandoned vehicles; payments that derive from European Structural Funds Regulations; exchange rate losses and other losses relating to European Regional Development Fund (ERDF) projects; coalfields regeneration; planning; the Planning Inspectorate;

Fire and Rescue services, including the grants paid to Chief Fire Officers' Association and measures to deal with the aftermath of terrorism; purchase of fire radio systems; payments and loans to the Fire Service College (trading fund); payments for provision of services to improve the efficiency and effectiveness of the fire service; Emergency Fire Service Closure costs; fire service pensions; fire service dispute(s); payments to Firebuy; work on improving race, gender and faith equalities; payments to the Community Development Foundation; Community Cohesion; Community empowerment; mapping data and services; Ordnance Survey trading fund; regional assemblies, payments for the Mersey Basin Campaign; 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;

Part I

monitoring, statistics, advice and consultancies; initiatives to tackle areas of low demand housing; publicity, promotion and publications; communications; support to voluntary and community bodies; subscriptions and contributions to international organisations; the residual functions of Property Services Agency (PSA); payments and loans in connection with the Queen Elizabeth II Conference Centre Agency trading fund; the administration and operation of the department including the Government Offices; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; housing statistics, special payments; and associated non-cash items.

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 Comprehensive Area Assessments and other 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 2008-09 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant and pension payments; intervention action and capacity building in local authorities; Local Area Agreement Reward Grant payments; grants paid under section 31 and 36 of the Local Government Act 2003; 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; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant in aid to the Standards Board for England; the Valuation Tribunal Service and to the Commission for Local Administration in England; 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; and associated non-cash items.

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

Part II: Changes proposed

Resources

£'000						
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions						
		54,425	39,751	14,674		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
B	Improving the supply and quality of housing	149,580	-39,781	5,000	-44,781	104,799
C	Building prosperous communities, promoting regeneration and tackling deprivation	2,238,945	-15,116	-	-15,116	2,223,829
D	Developing communities that are cohesive, active and resilient to extremism	55,193	-4,792	-	-4,792	50,401
E	Providing a more efficient, effective and transparent planning system	87,377	-6,380	-	-6,380	80,997
F	Ensuring safer communities by providing the framework to prevent and respond to emergencies	126,449	-33,016	103	-33,119	93,330
G	Central Administration	176,412	-7,381	-8,200	819	177,231
H	Government Office Administration	106,983	1,768	1,768	-	106,983
J	European Structural Funds - Communities and Local Government	11,051	111,000	-	111,000	122,051
K	Ordnance Survey	8,326	366	3,580	-3,214	5,112
L	Queen Elizabeth II Conference Centre Executive Agency	-1,292	260	1,200	-940	-2,232
<i>Support for Local Authorities</i>						
M	Improving the supply and quality of housing	2,335,648	15,962	10,000	5,962	2,341,610
N	Building prosperous communities, promoting regeneration and tackling deprivation	268,194	-47,141	-	-47,141	221,053
O	Developing communities that are cohesive, active and resilient to extremism	37,218	3,904	-	3,904	41,122
P	Providing a more efficient, effective and transparent planning system	156,251	-8,721	-	-8,721	147,530

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
Q	Ensuring safer communities by providing the framework to prevent and respond to emergencies	106,390	5,424	-	5,424	111,814
R	Area Based Grant	633,326	42,241	-	42,241	675,567
Spending in Annually Managed Expenditure (AME)						
<i>Support for Local Authorities</i>						
V	Ensuring safer communities by providing the framework to prevent and respond to emergencies	228,400	40,800	-	40,800	269,200
Non-Budget						
W	Improving the supply and quality of housing	5,891,560	-4,754	26,300	-31,054	5,860,506
AA	Providing a more efficient, effective and transparent planning system	5,121	-220	-	-220	4,901
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
AB	European Structural Funds- net (expenditure and income relating to old programmes)	-	1	-	1	1
<i>Support for Local Authorities</i>						
AC	European Structural Funds- net (expenditure and income relating to old programmes)	-	1	-	1	1
RfR 2: Providing for effective devolved decision making within a national framework						
			30,159	100	30,059	
Spending in Departmental Expenditure Limits (DEL)						
<i>Support for Local Authorities</i>						
D	Revenue Support Grants	5,400,431	-32,000	-	-32,000	5,368,431
G	Other grants and payments	503,727	61,700	-	61,700	565,427

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
Non-Budget					
I Non-Departmental Public Bodies	34,076	459	100	359	34,435
Total for Estimate:		84,584	39,851	44,733	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	34,151	31,604	65,755
Non-Operating A in A	563	937	1,500
Net cash requirement	39,523,826	23,249	39,547,075

Part II: Revised subhead detail including additional provision

		Resources					Capital		£'000
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions									
	320,158	1,072,398	12,617,693	14,010,249	673,277	13,336,972	65,755	1,500	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Supporting local government	-	-	-	-	-	-	-	
B	Improving the supply and quality of housing	-	43,117	67,182	110,299	5,500	104,799	-	
C	Building prosperous communities, promoting regeneration and tackling deprivation	-	26,759	2,197,670	2,224,429	600	2,223,829	-	
D	Developing communities that are cohesive, active and resilient to extremism	-	21,208	30,193	51,401	1,000	50,401	-	
E	Providing a more efficient, effective and transparent planning system	-	77,970	10,981	88,951	7,954	80,997	3,550	
F	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	89,411	5,379	94,790	1,460	93,330	36,844	
G	Central Administration	177,655	12,931	-	190,586	13,355	177,231	22,001	
H	Government Office Administration	142,503	-	-	142,503	35,520	106,983	2,860	
I	European Structural Funds- income relating to 2007-13 programmes	-	-	-	-	525,760	-525,760	-	
J	European Structural Funds - Communities and Local Government	-	55,050	67,001	122,051	-	122,051	500	
K	Ordnance Survey	-	30,231	4,900	35,131	30,019	5,112	-	
L	Queen Elizabeth II Conference Centre Executive Agency	-	-	377	377	2,609	-2,232	-	
<i>Support for Local Authorities</i>									
M	Improving the supply and quality of housing	-	-	2,364,810	2,364,810	23,200	2,341,610	-	
N	Building prosperous communities, promoting regeneration and tackling deprivation	-	-	221,053	221,053	-	221,053	-	
O	Developing communities that are cohesive, active and resilient to extremism	-	6,300	34,822	41,122	-	41,122	-	

Part II: Revised subhead detail including additional provision

										£'000			
Resources										Capital			
	Admin	Other	Current	Grants	Gross Total	A in A	Net Total			Capital	Non-operating		
	1	2		3	4	5	6	7	8		A in A	8	
P	Providing a more efficient, effective and transparent planning system										-	-	-
	-	-		147,530	147,530	-	147,530	-	-	-	-	-	
Q	Ensuring safer communities by providing the framework to prevent and respond to emergencies										-	-	-
	-	11,700		100,114	111,814	-	111,814	-	-	-	-	-	
R	Area Based Grant										-	-	-
	-	-		675,567	675,567	-	675,567	-	-	-	-	-	
S	European Structural Funds- payments to London Development Agency for 2007-13 programme										-	-	-
	-	-		30,705	30,705	-	30,705	-	-	-	-	-	
Spending in Annually Managed Expenditure (AME)													
<i>Central Government spending</i>													
T	Improving the supply and quality of housing										-	-	-
	-	697,800		-	697,800	-	697,800	-	-	-	-	-	
U	Ensuring safer communities by providing the framework to prevent and respond to emergencies										-	-	-
	-	-79		156	77	-	77	-	-	-	-	-	
<i>Support for Local Authorities</i>													
V	Ensuring safer communities by providing the framework to prevent and respond to emergencies										-	-	-
	-	-		269,200	269,200	-	269,200	-	-	-	-	-	
Non-Budget													
W	Improving the supply and quality of housing										-	-	-
	-	-		5,886,806	5,886,806	26,300	5,860,506	-	-	-	-	-	
X	Ensuring safer communities by providing the framework to prevent and respond to emergencies										-	-	-
	-	-		3,288	3,288	-	3,288	-	-	-	-	-	
Y	European Structural Funds- payments to Regional Development Agencies for 2007-13 programme										-	-	-
	-	-		495,055	495,055	-	495,055	-	-	-	-	-	
Z	Area Based Grant										-	-	-
	-	-		1	1	-	1	-	-	-	-	-	
AA	Providing a more efficient, effective and transparent planning system										-	-	-
	-	-		4,901	4,901	-	4,901	-	-	-	-	-	
Spending in Departmental Expenditure Limits (DEL)													
<i>Central Government spending</i>													
AB	European Structural Funds- net (expenditure and income relating to old programmes)										-	-	-
	-	-		1	1	-	1	-	-	-	-	-	
<i>Support for Local Authorities</i>													
AC	European Structural Funds- net (expenditure and income relating to old programmes)										-	-	-
	-	-		1	1	-	1	-	-	-	-	-	

Part II: Revised subhead detail including additional provision

							£'000	
Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 2: Providing for effective devolved decision making within a national framework								
-	190,961	25,993,531	26,184,492	14,235	26,170,257	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Valuation Services	-	166,823	-	166,823	-	-	
B	Best Value Inspection Subsidies to public corporations & Best Value Intervention costs	-	21,356	-	21,356	-	-	
C	Local Government research and publicity, boundary reviews: mapping costs	-	2,782	-	2,782	65	2,717	
<i>Support for Local Authorities</i>								
D	Revenue Support Grants	-	-	5,368,431	5,368,431	-	5,368,431	
E	Non-Domestic Rates Payments	-	-	19,500,000	19,500,000	-	19,500,000	
F	London governance	-	-	48,068	48,068	-	48,068	
G	Other grants and payments	-	-	579,027	579,027	13,600	565,427	
Spending in Annually Managed Expenditure (AME)								
<i>Support for Local Authorities</i>								
H	Non-Domestic Rates outturn adjustments and Local Authority Business Growth Incentive	-	-	463,000	463,000	-	463,000	
Non-Budget								
I	Non-Departmental Public Bodies	-	-	35,005	35,005	570	34,435	
Total for Estimate:								
320,158	1,263,359	38,611,224	40,194,741	687,512	39,507,229	65,755	1,500	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	39,462,496	44,733	39,507,229
Voted capital items			
Capital	34,151	31,604	65,755
Less Non-operating A-in-A	563	937	1,500
Total net voted capital	33,588	30,667	64,255
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,862	-5,240	-8,102
Depreciation	-36,050	5,717	-30,333
New provisions and adjustments to previous provisions	-4,917	-55,000	-59,917
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-390	-	-390
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	71,961	2,372	74,333
Total accruals to cash adjustments	27,742	-52,151	-24,409
Excess cash to be CFERd	-	-	-
Net Cash Requirement	39,523,826	23,249	39,547,075

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	274,883
RfR 2	-
Total Net Administration Costs	274,883
Net Programme Costs	
RfR 1	13,062,089
RfR 2	26,170,257
Non-voted	-700,400
Total Net Programme Costs	38,531,946
Total Net Operating Cost	38,806,829
<i>of which:</i>	
Net Resource Requirement	39,507,229
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-700,400
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	31,161,262

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	39,507,229
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-700,400
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	38,806,829
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-783,608
European Union income related to capital grants	57,268
Voted expenditure outside the budget	369
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	176,000
Resource consumption of non departmental public bodies	-6,886,067
Unallocated resource provision	2,029
Other adjustments	-211,558
Resource Budget (Budget)	31,161,262
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	30,117,305
Annually Managed Expenditure (AME)	1,043,957

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	64,255
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	7,327,639
Capital grants	783,608
European Union income related to capital grants	-57,268
Supported capital expenditure (revenue)	1,256,558
Capital spending by levy funded bodies	-
Unallocated capital provision	78
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-5,000
Capital Budget (Budget)	9,369,870
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,369,870
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Peter Housden, Permanent Head of the Department for Communities and Local Government

Request for Resources 2: Irene Lucas, Additional Accounting Officer and Director General of the Local Government and Regeneration Group of the Department

Peter Housden, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Peter Housden is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	
Administration	45,275
<i>of which:</i>	
Sale of goods and services	45,275
Programme	628,002
<i>of which:</i>	
Sale of goods and services	13,457
EU Income	525,760
Other grant income (including repayments of grants/subsidies)	49,500
Interest and dividends	8,186
Other income (including receipts)	31,099
Total RfR 1	673,277†
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments including 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 Tenant Services Authority; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered grants relating to housing and regeneration programmes; charges made by the Infrastructure Planning Commission and Planning Inspectorate executive agency in England and Wales; receipts from inspections by Crown Property Inspection Group; dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from Firelink contractor; 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; receipts from devolved administrations in relation to Firelink; former SRB programme receipts; and the sale of Property Services Agency businesses.</p>	
RfR 2: Providing for effective devolved decision making within a national framework	
Programme	14,235
<i>of which:</i>	
Sale of goods and services	65
Other grant income (including repayments of grants/subsidies)	13,600
Other income (including receipts)	570
Total RfR 2	14,235†
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; and the return of capital grants from local authorities.</p>	
Total Operating A in A	687,512

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

£'000

2009-10

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

Programme	1,500
<i>of which:</i>	
Sale of assets	937
Loan, etc, repayments	563
Total RfR 1	1,500†

† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; repayment of deemed and voted loans made to the Queen Elizabeth II Conference Centre and the Fire Service College; receipts from the Tenant Services Authority and the sale of PSA businesses.

Total Non-Operating A in A	1,500
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	18,792	-43,619	29,389,070	728,235	30,117,305
<i>of which: †</i>					
Administration budget	1,819	-	274,883	-	274,883
Near-cash in RDEL	-35,731	10,841	29,290,405	628,334	29,918,739
Capital DEL ††	46,723	-19,723	2,354,151	7,015,719	9,369,870
Less Depreciation †††	5,717	8,000	-30,333	-6,752	-37,085
Total DEL	71,232	-55,342	31,712,888	7,737,202	39,450,090

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	689,012

Notes to the Estimate (*continued*)

Changes in Accounting Policies

This Supplementary Estimate reflects the full adoption of International Financial Reporting Standards (IFRS) with effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate

Notes to the Estimate (*continued*)
Grants in aid

RfR/Section	Body	£'000
RfR1		
B	Commission for Architecture in the Built Environment ♥	6,940
W	Homes and Communities Agency ♥	5,422,700
W	Other Growth Areas- West Northamptonshire Urban Development Corporation ♥	17,141
W	Tenant Services Authority ♥	36,640
W	Leasehold Advisory Service ♥	1,325
W	Thames Gateway: Thurrock UDC ♥	36,200
W	Thames Gateway London UDC ♥	46,300
X	Firebuy ♥	1,582
X	Community Development Foundation ♥	1,706
AA	Infrastructure Planning Commission ♥	4,901
RFR 2		
I	Valuation Tribunal Service ♥	10,850
I	Standards Board for England ♥	7,726
I	The Commission for Local Administration in England ♥	15,859

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
<p>Note: The Main Estimate contingent liabilities included a £656.255 million item for Gap Funding. This contingent liability transferred during 2008-09 from the Department's Resource Accounts to the Homes and Communities Agency's Resource Accounts. However, the Main Estimate's inclusion of this material contingent liability, although consistent with preparations to consolidate Non Departmental Public Bodies' accounts into Department's resource accounts, was inconsistent with the approach taken in prior years. This supplementary estimate has therefore reverted, for consistency with prior years, to disclosure of the Department's Resource Accounts' contingent liabilities, pending full alignment of estimates and accounts in Treasury's Clear Line Of Sight Project. In terms of ERDF financial corrections, the figure included is the latest available as at January 2010.</p>	
STATUTORY	
Statutory Contingent Liability in respect of Homeowners Support Scheme.	500,000
Payments to Local Authorities under the Housing Defects Scheme.	250-750
<p>The Department has entered into the following quantifiable contingent liabilities by offering an indemnity. This is not a contingent liability within the meaning of IAS 13 since the likelihood of a transfer of economic benefit in settlement is too remote.</p>	
Indemnity given by DCLG for the Land Stabilisation Project to proceed in Northwich under Section 1 of the Derelict Land Act 1982.	150,000
NON STATUTORY	
Ex-gratia payments which may possibly be made to appellants or other appeal parties who have incurred abortive appeal costs following an error made by the Planning Inspectorate. The timing and value of these payments are very difficult to predict.	Unquantifiable
Litigation costs which may possibly be incurred following unsuccessful attempts to resist a High Court challenge into an Inspector's decision. The timing and value of such awards are extremely difficult to predict.	400
Possible financial corrections or other disallowances arising from closure of the 2000-2006 ERDF grant expenditure administered by Government Offices, which may fall due as a result of audit findings, and which are not already provided for. This is the latest estimate available as of January 2010.	113,450
<p>The Department has entered into the following unquantifiable contingent liabilities by offering indemnities. Neither of these are contingent liabilities within the meaning of IAS 13 since the likelihood of a transfer of economic benefit in settlement is too remote</p>	
Indemnity given to the Nationwide Building Society as lender for claims relating to the treatment or removal of asbestos in connection with housing stock transfers.	Unquantifiable
Indemnity given to the Fire and Rescue Services in respect of possible incidents as a result of mass decontamination.	Unquantifiable

Department for Business, Innovation and Skills

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help ensure business success in an increasingly competitive world			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
A2	Non-cash in relation to Automotive Assistance Programme	21,004,000	
A3	Non-cash in relation to Enterprise Fund Guarantees	41,500,000	
<u>DEL Reserve claims</u>			
A2	Non-cash in relation to Automotive Assistance Programme	85,000,000	
A3	Non-cash in relation to Enterprise Fund Guarantees	48,500,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer to UK Trade and Investment from Strategic Investment Fund for inward investment conference		-500,000
E1	Transfer from Cabinet Office for Parliamentary Counsel Office	1,020,000	
E1	Transfer from Crown Prosecution Service for Skills Strategy	25,000	
<u>Transfers between resource spending and capital spending (capital grants)</u>			
A3 and A3	Transfer from Strategic Investment Fund capital grants to resource for New Industry New Jobs	6,300,000	-6,300,000

Introduction

<u>Other changes in DEL spending</u>			
A1	Increase in UK Trade and Investment expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	175,000	
A3	Increase in Capital for Enterprise expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	1,927,000	
A5	Reduction in Capital for Enterprise receipts arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	10,500,000	
C2	Increase in Acas expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	90,000	
C2	Reduction in Insolvency Service expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards		-2,600,000
C3	Increase in Insolvency Service expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	4,600,000	
N2	Increase in National Measurement Office expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	912,000	
<u>Annually Managed Expenditure</u>			
G3	Increased forecast for Paternity Pay	6,200,000	
P3	Increase in National Measurement Office expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	1,000,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources (3)</u>			
A3	Reduction in Enterprise Fund Guarantees, reflecting virement to Student Support (RfR3)		-10,000,000
<u>Resource transfers within the Request for Resources</u>			
C2 and N2	Virement from National Measurement Office to Fair Markets for Legal Work	100,000	-100,000
J3 and O3	Virement for South East of England Development Agency Co-Funding (e-Mini and Security Resilience) transferred from Technology Strategy Board	1,120,000	-1,120,000

Introduction

<u>Transfers to/from non-voted spending</u>			
A3	Virement of £16,103,000 from Strategic Investment Fund to the non-voted Departmental Unallocated Provision		-16,103,000
A3	Virement of £29,624,000 from Strategic Investment Fund to non-voted expenditure by the Learning and Skills Council under RfR3		-29,624,000
A3	Virement from Enterprise Fund Guarantees to non-voted expenditure by the Learning and Skills Council		-3,144,000
D2	Virement from support for the Post Office to non-voted expenditure by the Learning and Skills Council		-4,000,000
<u>Increases in non-budget spending</u>			
J3	Increase in cash requirements for Regional Development Agencies	8,300,000	
J3	Increase in Regional Development Agencies cash requirement arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	201,000	
L3	Increase in Competition Commission cash requirement arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	400,000	
O3	Reduction in Technology Strategy Board Grant-in-Aid, reflecting virement to Departmental Unallocated Provision		-3,487,000
<u>Transfers from capital grants to capital</u>			
A3	Virement from Regional Selective Assistance to fund increases in Acas (£3m) and British Shipbuilders (£6m)		-9,000,000
A3	Virement from Strategic Investment Fund to fund increase in Launch Investment		-120,000,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
N2 and N5	Increase in expenditure and receipts in respect of Britech	365,000	-365,000
N2 and N5	Increase in expenditure and receipts in respect of National Measurement Office	11,930,000	-11,930,000
<u>Totals</u>		251,169,000	-218,273,000
<u>Total RfR 1</u>		<u>32,896,000</u>	

Introduction

RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society

Section Reason for Change

Changes related to movements in budgets

Other changes

Transfers to/from non-voted spending

D3	Virement from non-voted expenditure by Research Councils to Research Base Initiatives	50,000
E3	Virement from Public Sector Research Establishments to non-voted expenditure by Research Councils	-250,000
G5	Increased contributions from other Government Departments to fund the Institute for Animal Health	-1,900,000
H3	Virement from Science and Society to non-voted expenditure by Research Councils	-594,000

Increases in non-budget spending

J3	Cash consequences of virement from Departmental Unallocated Provision to Arts and Humanities Research Council	2,000,000
K3	Cash consequences of virement from Departmental Unallocated Provision to Biotechnology and Biological Sciences Research Council	11,000,000
M3	Cash consequences of virement from Departmental Unallocated Provision to Engineering and Physical Sciences Research Council	15,000,000
N3	Cash consequences of virement to Departmental Unallocated Provision from Medical Research Council	-26,000,000
N3	Increase in Medical Research Council expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	765,000
O3	Increase in Natural Environment Research Council expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	491,000

Introduction

O3	Cash consequences of virement from Departmental Unallocated Provision to Natural Environment Research Council	36,000,000	
R3	Increase in Science and Technology Facilities Council expenditure arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	150,000	
R3	Cash consequences of virement from Departmental Unallocated Provision to Science and Technology Facilities Council	5,000,000	
	Totals	70,456,000	-28,744,000
Total RfR 2			41,712,000

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

B2	Utilisation of End Year Flexibility for Aim Higher Challenge Initiative	4,624,000
C3	Utilisation of End Year Flexibility to meet student support pressures	225,376,000
D2	Utilisation of End Year Flexibility for provisions for Career Development Loans	15,000,000

DEL Reserve claims

C3	Non-cash relating to maintenance loans	83,000,000
C3	Non-cash relating to fee loans	50,000,000

Take up of Departmental Unallocated Provision

C3	Utilisation of Departmental Unallocated Provision for Student Maintenance Grants	16,000,000
D3	Virement from Departmental Unallocated Provision for increasing the number of apprenticeships by 35,000	1,100,000

Introduction

Transfers of budgetary cover to/from other government departments

B2	Transfer from Department of Work and Pensions for Graduate internships	6,381,000
D3	Transfer from Home Office for Migration Impact Funding	5,371,000
D3	Transfer from Ministry of Justice for Offender Learning	2,624,000

Other changes

Resource transfers to/from another Request for Resources (1)

C3	Virement from Enterprise Fund Guarantees (RfR1) to Student Support	10,000,000
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Transfers to/from non-voted spending

B2	Transfer of part of transfer from Department of Work and Pensions for Graduate internships to non-voted expenditure by Higher Education Funding Council for England	-5,800,000
B2	Virement from Aim Higher Challenge Initiative to non-voted expenditure	-15,668,000
B3	Virement from Aim Higher Challenge Initiative and other Higher Education resources to non-voted expenditure	-14,457,000
B5	Contribution from Department for Children, Schools and Families to help to kick start activity on Shared Services initiatives within the Higher Education Sector.	-895,000
C3	Virement from Higher Education Funding Council for England towards Student Support	15,000,000
C3	Virement from non-voted expenditure to Maintenance Grants	14,999,000
D2	Virement from Adult Guidance and Leith Implementation to non-voted expenditure	-4,310,000
D2	Virement from Government Skills to non-voted Departmental Unallocated Provision	-188,000
D3	Virement from Post 16 Standards to non-voted Departmental Unallocated Provision	-46,000
D3	Virement to non-voted expenditure of the Science Research Councils for the Wellbeing project	-100,000
D3	Virement from Offender Learning to non-voted expenditure	-20,636,000

Introduction

D3	Virement from non-voted Learning and Skills Council expenditure to voted spend for the Young Person's Guarantee	30,876,000
D5	Reduction in contributions from Department for Children, Schools and Families towards Learning and Skills Council for Family Learning	8,000,000
D5	Increase in contributions from Department for Children, Schools and Families towards UK Commission for Employment and Skills	-258,000
D5	Increase in contributions from Department for Work and Pensions towards UK Commission for Employment and Skills	-200,000
E5	Increase in contributions from Department for Children, Schools and Families towards Learning and Skills Council for 6th Forms, apprenticeships, Entry to Employment, Education Maintenance Allowance	-349,777,000
<u>Increases in non-budget spending</u>		
G3	Transfer of part of transfer from Department of Work and Pensions for Graduate internships to non-voted expenditure by Higher Education Funding Council for England	5,800,000
G3	Virement from Higher Education Funding Council for England towards Student Support	-15,000,000
G3	Contribution from Department for Children, Schools and Families towards Higher Education Funding Council for England to help kick start activity on Shared Services initiatives within the Higher Education Sector.	895,000
G3	Cash consequences of virement of various voted budgets to Higher Education Funding Council for England	15,166,000
G3	Increased cash requirement for Higher Education Funding Council for England	23,846,000
H3	Cash consequences of virement of various voted budgets to Office for Fair Access	10,000
I3	Cash consequences of virement of various voted budgets to the Student Loans Company	5,630,000
I3	Increase in Student Loans Company arising from reclassification changes resulting from the implementation of International Financial Reporting Standards	22,000
I3	Increased cash requirement for Student Loans Company	24,179,000

Introduction

J3	Cash consequences of virement of various voted budgets to Investors in People	72,000
K3	Cash consequences of virement of various voted budgets to Learning and Skills Council	21,789,000
K3	Virement from support for the Post Office to the Learning and Skills Council	4,000,000
K3	Virement to Learning and Skills Council from RfR1 Strategic Investment Fund	29,624,000
K3	Cash consequences of virement from Departmental Unallocated provision to non-voted expenditure by the Learning and Skills Council	5,632,000
K3	Virement to Learning and Skills Council from Enterprise Fund	3,144,000
K3	Cash consequences of utilisation of End Year Flexibility for non-voted expenditure by the Learning and Skills Council on: delivery of the Level 3 training entitlement to young people (£20m), 35,000 additional apprenticeships (£11.7m), expansion of Personal Career Development Loans scheme (£3m), 6 month training offer to unemployed (£22.8m) and additional capital to renew the FE estate (£100m).	157,500,000
K3	Cash consequences of virement from Departmental Unallocated Provision to Learning and Skills Council for increasing the number of apprenticeships by 35,000	11,700,000
K3	Cash consequences of transfer from Department of Energy and Climate Change to non-voted expenditure by Learning and Skills Council for the National Skills Academy for Power	500,000
K3	Virement from Learning and Skills Council to the Young Person's Guarantee	-30,876,000
K3	Cash consequences of increase in contributions from Department for Children, Schools and Families towards Learning and Skills Council for 6th Forms, apprenticeships, Entry to Employment, Education Maintenance Allowance	341,777,000
K3	Increased cash requirement for Learning and Skills Council	257,474,000
L3	Cash consequences of virement of various voted budgets to UK Commission for Employment and Skills	3,205,000
L3	Increased cash requirement for UK Commission for Employment and Skills	2,637,000

Introduction

L3	Cash consequences of transfer from Department for Children, Schools and Families to UK Commission for Employment and Skills for National Vocational Qualifications Levy	7,734,000	
L3	Cash consequences of increase in contributions from Department for Children, Schools and Families towards UK Commission for Employment and Skills	258,000	
L3	Cash consequences of increase in contributions from Department for Work and Pensions towards UK Commission for Employment and Skills	200,000	
M3	Prior Period Adjustment for Student Loans	275,000,000	
	<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>		
B2 and B5	Receipt from Department for Work and Pensions to cover costs of updating 'Graduate Talent Pool' website.	4,000	-4,000
B3 and B5	Increased contributions from the Department for Children, Schools and Families for PREVENT	35,000	-35,000
B3 and B5	Receipt from Expotel of contributions from Local Authorities towards the delegate costs of the 'LA Transition Forum' conference November 2010.	8,000	-8,000
C3 and C5	Increased expenditure and receipts in relation to recoveries of student support overpayments	35,000,000	-35,000,000
D2 and D5	Increased contributions from the Department for Children, Schools and Families for National Institute of Adult Continuing Education events	15,000	-15,000
D2 and D5	Contributions from Sutton Trust towards Annual Population Survey	18,000	-18,000
D3 and D5	Increased contributions from the Department for Children, Schools and Families for Further Education improvement	11,377,000	-11,377,000
D3 and D5	Increase in contributions from Department of Health towards Learning and Skills Improvement Service	350,000	-350,000
D3 and D5	Increase in contributions from Department for Work and Pensions towards Learning and Skills Improvement Service	261,000	-261,000
D5 and D2	Reduction in contributions from other Government departments towards Government Skills expenditure	414,000	-414,000
	<u>Totals</u>	1,733,627,000	-505,693,000
Total RfR 3		1,227,934,000	
Total change in resources for Estimate:		1,302,542,000	

Introduction

Changes in capital

Section Reason for Change

RfR 1: To help ensure business success in an increasingly competitive world

Changes related to movements in budgets

Take up of DEL End-Year flexibility

A7	Capital for Enterprise Fund	10,000,000
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DEL Reserve claims

A7	Automotive Assistance Programme	300,000,000
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Transfers of budgetary cover to/from other government departments

A7	Transfer from Department of Enterprise Trade and Investment Northern Ireland for Launch Investment	25,573,000
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Other changes

Transfers from capital grants to capital

A7	Virement from Strategic Investment Fund to fund increase in Launch Investment	120,000,000
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A7	Virement from Regional Selective Assistance to British Shipbuilders	6,000,000
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C7	Virement from Regional Selective Assistance to Acas	3,000,000
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	<u>Totals</u>	464,573,000	-
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	<u>Total RfR 1</u>		464,573,000
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Introduction

Section Reason for Change

RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society

Changes related to movements in budgets

Other changes

Transfers to/from non-voted spending

C7	Virement of British Academy underspend to fund increased expenditure by Research Councils	-1,600,000
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<u>Totals</u>	-	-1,600,000
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<u>Total RfR 2</u>		<u>-1,600,000</u>
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<u>Total changes in capital for Estimate:</u>		<u>462,973,000</u>
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- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £1,142,456,000.
- Symbols are explained in the Introduction to this booklet.

Department for Business, Innovation and Skills

Part I

	£
Request for Resources 1: To help ensure business success in an increasingly competitive world	32,896,000
Request for Resources 2: Increasing Scientific excellence in the UK and maximising its contribution to society	41,712,000
Request for Resources 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills	1,227,934,000
Total additional net resource requirement	1,302,542,000
Additional net cash requirement	1,142,456,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for Business, Innovation and Skills on:

RfR 1: To help ensure business success in an increasingly competitive world

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 and standards, 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 and delivering regulatory reform, measures to combat international bribery and corruption, 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;

the efficient management and discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and liabilities in respect of former shipbuilding industry employees; provision of repayable credit facilities for Royal Mail; exchange risk and other guarantee losses; subscriptions to international organisations and fulfilment of international treaty obligations; payments to other Government departments and the Devolved Administrations in relation to programmes supporting BIS objectives; support for Government Offices; grants and grants-in-aid to organisations promoting BIS objectives, including Non-Departmental Public Bodies;

financial assistance to public corporations and trading funds including Ofcom; managing the Government's shareholder interest in the portfolio of commercial businesses wholly or partly owned by Government; 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 BIS will appropriate in aid; payments to local authorities in respect of Local Area Agreements and New Burdens responsibilities; miscellaneous programmes, including payments in respect of claims for the restitution of property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers; 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

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, Research Base initiatives; the Research Capital Investment Fund; promotion of Science in Society; Knowledge Transfer initiatives including the Higher Education Innovation Fund and Public Sector Research Establishments grants; contributions to the Science and Innovation Network initiative including payments to the Foreign and Commonwealth Office; fees payable under the Animals (Scientific Procedures) Act 1986; Research Council pensions; associated non-cash costs of the above programmes.

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills

Further, higher and other education provision and initiatives for young people and adults; research and related initiatives at institutions delivering higher education, training, skills, enterprise, assessment and advice and guidance provision for young people, adults and employers and related initiatives; financial and other support for students and trainees, including grants, allowances, access funds, loans and their repayment; the resource consequences of loans to students; support for students through Local Authorities; the cost of sales of the student loan debt; reimbursement of fees for qualifying European Union students;

post graduate awards; mandatory student awards; education maintenance allowances and childcare and transport support; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets returned to the Secretary of State under the terms of the TEC licence; investments and loans to support PFI; initiatives and programmes supported by the European Union; international programmes including payments to the Department for Work and Pensions for the UK subscription to the International Labour Organisation and other international programmes;

initiatives to support, improve and promote education, training, skills and student and trainee support; payments to other Government departments and the devolved administrations in relation to programmes supporting BIS objectives, including grant in aid to Non-Departmental Public Bodies; departmental and others' costs of administering the above, including payments to the Department for Children, Schools and Families; income relating to the above and associated non-cash items.

Expenditure covers payments, grants and loans to organisations in the public, private and other sectors, including employers, community, voluntary and business support organisations, to individuals and other government departments. Expenditure relates primarily to England, but in some cases includes supporting activities in other parts of the United Kingdom and abroad.

The **Department for Business, Innovation and Skills** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To help ensure business success in an increasingly competitive world					
		34,691	1,795	32,896	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Business Creation and Growth	-800,177	9,735	-10,500	20,235	-779,942
C Free and Fair Markets	212,309	2,190	-	2,190	214,499
D Government as Shareholder	174,754	-4,000	-	-4,000	170,754
E Professional Support and Infrastructure	317,119	1,045	-	1,045	318,164
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
G Free and Fair Markets	43,800	6,200	-	6,200	50,000
Non-Budget					
J Business Creation and Growth	1,843,312	9,621	-	9,621	1,852,933
L Free and Fair Markets	48,999	400	-	400	49,399
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
N Knowledge Transfer and Innovation	100,328	13,107	12,295	812	101,140
Non-Budget					
O Knowledge Transfer and Innovation	341,885	-4,607	-	-4,607	337,278
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
P Knowledge Transfer and Innovation	-	1,000	-	1,000	1,000

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society						
		43,612	1,900	41,712		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
D	RB Initiatives	6,065	50	-	50	6,115
E	Economic Impact	12,500	-250	-	-250	12,250
G	Biotechnology and Biological Sciences Research Council	-1,000	-	1,900	-1,900	-2,900
H	Science and Society	15,441	-594	-	-594	14,847
Non-Budget						
J	Arts and Humanities Research Council	104,000	2,000	-	2,000	106,000
K	Biotechnology and Biological Sciences Research Council	458,000	11,000	-	11,000	469,000
M	Engineering and Physical Sciences Research Council	784,000	15,000	-	15,000	799,000
N	Medical Research Council	657,000	-25,235	-	-25,235	631,765
O	Natural Environment Research Council	385,000	36,491	-	36,491	421,491
R	Science and Technology Facilities Council	602,000	5,150	-	5,150	607,150
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills						
		1,617,718	389,784	1,227,934		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
B	Higher Education	131,413	-24,873	942	-25,815	105,598
C	Higher Education Support for Students	2,498,150	449,375	35,000	414,375	2,912,525

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
D	Further Education, Skills and International Programmes	295,721	41,298	4,065	37,233	332,954
E	Further Education Receipts from DCSF	-7,565,424	-	349,777	-349,777	-7,915,201
Non-Budget						
G	Higher Education Funding Council for England	7,528,703	30,707	-	30,707	7,559,410
H	Office for Fair Access	476	10	-	10	486
I	Student Loans Company	50,111	29,831	-	29,831	79,942
J	Investors in People UK	4,957	72	-	72	5,029
K	Learning and Skills Council	12,308,636	802,264	-	802,264	13,110,900
L	UK Commission for Employment and Skills	78,371	14,034	-	14,034	92,405
M	Prior Period Adjustment for Student Loans	-	275,000	-	275,000	275,000
Total for Estimate:			1,696,021	393,479	1,302,542	

Capital and Cash

		£'000		
		Present Provision	Changes in Provision	New Provision
Total Capital Expenditure		12,485,512	462,973	12,948,485
Non-Operating A in A		7,673,666	-	7,673,666
Net cash requirement		24,942,458	1,142,456	26,084,914

Part II: Revised subhead detail including additional provision

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
£'000									
RfR 1: To help ensure business success in an increasingly competitive world									
	394,693	1,264,012	3,099,244	4,757,949	2,052,802	2,705,147	7,559,085	6,453,666	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Business Creation and Growth	44,507	713,074	274,535	1,032,116	1,812,058	-779,942	525,473	-
B	Better Regulation	-	337	-	337	-	337	-	-
C	Free and Fair Markets	2,052	296,240	103,977	402,269	187,770	214,499	8,065	3,500
D	Government as Shareholder	20,104	161,650	-	181,754	11,000	170,754	-	-
E	Professional Support and Infrastructure	328,030	13,989	1,165	343,184	25,020	318,164	13,416	-
<i>Support for Local Authorities</i>									
F	Business Creation and Growth	-	-	375,990	375,990	-	375,990	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
G	Free and Fair Markets	-	-	50,000	50,000	-	50,000	-	-
H	Government as Shareholder	-	-5,518	6,553	1,035	1,500	-465	7,000,000	6,450,000
<i>Support for Local Authorities</i>									
I	Business Creation and Growth	-	-	3,000	3,000	-	3,000	-	-
Non-Budget									
J	Business Creation and Growth	-	-	1,852,933	1,852,933	-	1,852,933	-	-
K	Better Regulation	-	-	4,400	4,400	-	4,400	-	-
L	Free and Fair Markets	-	-	49,399	49,399	-	49,399	-	-

Part II: Revised subhead detail including additional provision

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
M	Government as Shareholder	-	-	6,660	6,660	-	6,660	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
N	Knowledge Transfer and Innovation	-	83,240	33,354	116,594	15,454	101,140	12,131	166
Non-Budget									
O	Knowledge Transfer and Innovation	-	-	337,278	337,278	-	337,278	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
P	Knowledge Transfer and Innovation	-	1,000	-	1,000	-	1,000	-	-
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society									
		-	37,500	3,695,317	3,732,817	2,900	3,729,917	400	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	The Royal Society	-	-	45,823	45,823	-	45,823	-	-
B	Royal Academy of Engineering	-	-	12,138	12,138	-	12,138	-	-
C	British Academy	-	-	25,062	25,062	-	25,062	400	-
D	RB Initiatives	-	-	6,115	6,115	-	6,115	-	-
E	Economic Impact	-	-	12,250	12,250	-	12,250	-	-
F	Research Capital Investment Fund	-	-	48,676	48,676	-	48,676	-	-
G	Biotechnology and Biological Sciences Research Council	-	-	-	-	2,900	-2,900	-	-
H	Science and Society	-	-	14,847	14,847	-	14,847	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating		
1	2	3	4	5	6	7	A in A	8	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
I	Research Councils' Pension Scheme	-	37,000	-	37,000	-	37,000	-	-
Non-Budget									
J	Arts and Humanities Research Council	-	-	106,000	106,000	-	106,000	-	-
K	Biotechnology and Biological Sciences Research Council	-	-	469,000	469,000	-	469,000	-	-
L	Economic and Social Research Council	-	-	179,000	179,000	-	179,000	-	-
M	Engineering and Physical Sciences Research Council	-	-	799,000	799,000	-	799,000	-	-
N	Medical Research Council	-	-	631,765	631,765	-	631,765	-	-
O	Natural Environment Research Council	-	-	421,491	421,491	-	421,491	-	-
P	Higher Education Funding Council for England	-	-	317,000	317,000	-	317,000	-	-
Q	Fees Payable under the Animals (Scientific Procedures) Act 1986	-	500	-	500	-	500	-	-
R	Science and Technology Facilities Council	-	-	607,150	607,150	-	607,150	-	-
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills									
		-	890,392	23,891,306	24,781,698	8,222,589	16,559,109	5,389,000	1,220,000
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Activities to Support all Functions	-	-	60	60	-	60	-	-
B	Higher Education	-	32,879	78,716	111,595	5,997	105,598	-	-
C	Higher Education Support for Students	-	-	2,948,028	2,948,028	35,503	2,912,525	-	-
D	Further Education, Skills and International Programmes	-	40,801	377,041	417,842	84,888	332,954	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
E	Further Education Receipts from DCSF	-	-	-	-	7,915,201	-7,915,201	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
F	Loans to Students	-	816,712	-635,711	181,001	181,000	1	5,389,000	1,220,000
Non-Budget									
G	Higher Education Funding Council for England	-	-	7,559,410	7,559,410	-	7,559,410	-	-
H	Office for Fair Access	-	-	486	486	-	486	-	-
I	Student Loans Company	-	-	79,942	79,942	-	79,942	-	-
J	Investors in People UK	-	-	5,029	5,029	-	5,029	-	-
K	Learning and Skills Council	-	-	13,110,900	13,110,900	-	13,110,900	-	-
L	UK Commission for Employment and Skills	-	-	92,405	92,405	-	92,405	-	-
M	Prior Period Adjustment for Student Loans	-	-	275,000	275,000	-	275,000	-	-
Total for Estimate:									
	394,693	2,191,904	30,685,867	33,272,464	10,278,291	22,994,173		12,948,485	7,673,666

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	21,691,631	1,302,542	22,994,173
Voted capital items			
Capital	12,485,512	462,973	12,948,485
Less Non-operating A-in-A	7,673,666	-	7,673,666
Total net voted capital	4,811,846	462,973	5,274,819
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-876,423	898	-875,525
Depreciation	-59,448	-2,985	-62,433
New provisions and adjustments to previous provisions	-652,164	-341,404	-993,568
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-275,000	-275,000
Other non-cash items	-654	-	-654
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-21,402	-4,600	-26,002
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	49,072	32	49,104
Total accruals to cash adjustments	-1,561,019	-623,059	-2,184,078
Excess cash to be CFERd	-	-	-
Net Cash Requirement	24,942,458	1,142,456	26,084,914

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	34,981	<i>34,981</i>	33,631	<i>33,631</i>
Non-operating income not classified as A in A	120,000	<i>120,000</i>	163,000	<i>163,000</i>
Other amounts collectable on behalf of the Consolidated Fund	90,000	<i>90,000</i>	90,320	<i>90,320</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	244,981	244,981	286,951	286,951

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	358,693
RfR 2	-
RfR 3	-
Total Net Administration Costs	358,693
Net Programme Costs	
RfR 1	2,346,454
RfR 2	3,729,917
RfR 3	16,284,109
Non-voted	466,369
Total Net Programme Costs	22,826,849
Total Net Operating Cost	23,185,542
<i>of which:</i>	
Net Resource Requirement	22,994,173
less: Prior period adjustments	-275,000
Non-voted Expenditure	500,000
Consolidated Fund Extra Receipts	-33,631
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	20,569,986

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	22,994,173
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-275,000
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	500,000
Consolidated Fund Extra Receipts in the OCS	-33,631
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	23,185,542
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-493,446
European Union income related to capital grants	-
Voted expenditure outside the budget	-1,300
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-2,152,445
Unallocated resource provision	-
Other adjustments	31,635
Resource Budget (Budget)	20,569,986
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	19,650,989
Annually Managed Expenditure (AME)	918,997

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	5,274,819
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-120,000
Capital spending by non-departmental public bodies	2,565,209
Capital grants	493,446
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-73,049
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-31,635
Capital Budget (Budget)	8,108,790
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,419,235
Annually Managed Expenditure (AME)	4,689,555

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1:	Simon Fraser, Permanent Head of the Department
Request for Resources 2:	Simon Fraser, Permanent Head of the Department
Request for Resources 3:	Simon Fraser, Permanent Head of the Department

Simon Fraser, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Simon Fraser is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual (FReM)*, or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: To help ensure business success in an increasingly competitive world	
Administration	36,000
<i>of which:</i>	
Sale of goods and services	36,000
Programme	2,016,802
<i>of which:</i>	
Sale of goods and services	180,640
Regulatory licences, fines, penalties and taxes	109,380
EU Income	365
Other grant income (including repayments of grants/subsidies)	1,721,758
Interest and dividends	4,659
Total RfR 1	2,052,802†
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to Loan Guarantee and other small firms support schemes, receipts from the Department for Communities and Local Government, Department for Environment, Food and Rural Affairs, the Department for Culture, Media and Sport, the Department of Energy and Climate Change and UK Trade and Investment in relation to the Regional Development Agencies and the London Development Agency; income relating to ACAS, the Insolvency Service, legal services, consultancy, publications, secondments, departmental administration costs, central services, 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 of dividends and interest on loans from the Patent Office; miscellaneous receipts from other Government Departments.	
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society	
Programme	2,900
<i>of which:</i>	
Other grant income (including repayments of grants/subsidies)	2,900
Total RfR 2	2,900†
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Receipts for the Institute of Animal Health	
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills	
Programme	8,222,589
<i>of which:</i>	
Sale of goods and services	50,049
EU Income	109
Other grant income (including repayments of grants/subsidies)	5,780,647
Interest and dividends	181,000
Other income (including receipts)	2,210,784
Total RfR 3	8,222,589†
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayment of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; receipts from the sale of surplus properties; receipts from outside organisations (including the EU) in respect of advertising and publicity activities and materials; sale of research publications; receipts from the European Social Fund to cover departmental programmes; receipts covering the return of assets from the Training and Enterprise Councils (TECs) as part of their winding-up process; receipts from the wind-down of Individual Learning Accounts; receipts from the Department for Children, Schools and Families for 14-19 programmes;	

receipts for student support; profits on the sale of surplus equipment and other assets; Sponsorship Funding; rent income from three domestic properties on the estate of the European School of Culture at Culham, Oxfordshire; contributions from the National Assembly for Wales towards key skills; receipts to support the UK Commission for Employment and 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, the Northern Ireland Executive and others towards miscellaneous European education, international programmes and the UK Prime Minister Initiative;

contributions from other government departments and other sources towards the cost of promoting UK education and training overseas; London Challenge receipts; receipts from the Department of Health for Investors in People healthy organisations; student loan interest receivable; further and higher education receipts from the Department for Children, Schools and Families; receipts from the Home Office for offender education; receipts from the Department for Communities and Local Government for Faith Leader project; student support receipts; receipts to support Government Skills, the FE Improvement programme, the Skills for Life programme and the Learning and Skills Improvement Service, rental income from the National Physical Laboratory; receipts from the Department of Health for the Aimhigher programme.

Total Operating A in A	10,278,291
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: To help ensure business success in an increasingly competitive world

Programme	6,453,666
<i>of which:</i>	
Loan, etc, repayments	6,453,666

Total RfR 1	6,453,666†
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† Amount that may be applied as non-operating appropriations in aid, arising from: proceeds from the sale of surplus land, buildings and equipment; the repayment of loans to the Royal Mail.

RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills

Programme	1,220,000
<i>of which:</i>	
Loan, etc, repayments	1,220,000

Total RfR 3	1,220,000†
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† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of principal on student loans

Total Non-Operating A in A	7,673,666
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2009-10 Provision Income	Receipts
OFCOM●	60,000	<i>60,000</i>
Companies House receipts from late filing penalties●	30,000	<i>30,000</i>
Receipt of Dividend from the Companies House Executive Agency trading fundΦ	1,582	<i>1,582</i>
Interest on loans advanced by the S of S to the Companies House Executive Agency trading fundΦ	49	<i>49</i>
Levies on sale of aero engines and airframesΦ	120,000	<i>120,000</i>
BNFL equity withdrawalΔ	32,000	<i>32,000</i>
Quality Improvement Agency●	320	<i>320</i>
Sale of UKAEA Ltd●	43,000	<i>43,000</i>
Total	286,951	<i>286,951</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL		
	Voted	Non-voted	Voted	Non-voted	Total	£'000
Resource DEL	279,431	531,819	-3,235,584	22,886,573	19,650,989	
<i>of which:†</i>						
Administration budget	1,220	-	358,693	-	358,693	
Near-cash in RDEL	-67,660	464,711	-5,004,730	22,570,097	17,565,367	
Capital DEL††	277,146	152,127	-209,708	3,628,943	3,419,235	
Less Depreciation†††	-1,985	-47,320	-61,433	-248,599	-310,032	
Total DEL	554,592	636,626	-3,506,725	26,266,917	22,760,192	

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised	£'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.		17,951,957

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1-A2	British Shipbuilders (Vosper Gap) Health Liabilities	350
RfR1-C2	Trade Policy: other resource expenditure	5,083
RfR1-C3	Trade Policy: international subscriptions	5,010
RfR1-E2	City of London Police Unit	140
RfR1-E3	Shared security services	226
RfR1-L3	Grant in Aid to SITPRO	800

International Subscriptions

RfR/Section	Body	£'000
RfR1- C3	World Trade Organisation	5,010
RfR1- C3	Consumer Protection	2,062
RfR3-B3	HE EUI Subscriptions	2,994
RfR3-C3	HE EUI Bursaries	274
RfR3-D3	International Programmes ILO subscription	12,786

Notes to the Estimate (*continued*)

Changes in Accounting Policies

This Supplementary Estimate reflects the full adoption of International Financial Reporting Standards with effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate

Since the publication of the Winter Supplementary Estimate, there has been a change in the accounting policy relating to Student Fee Loans. The change in accounting policy reflects the fact that Higher Education Institutions are entitled to the full amount of the fee, 90 days after the start of the academic year, and not when the Student Loan Company is reimbursed by the Department, which was the basis of the former policy. The additional obligation is accompanied by an additional asset, the value of which is reduced and charged to non-cash expenditure to reflect the cost to the Government of issuing the loans.

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1 - C2	Advisory, Conciliation and Arbitration Service ♥	45,127
RfR1 - L3	Consumer Focus ♥	22,997
RfR1 - J3	Capital for Enterprise ♥	2,545
RfR1 - J3	the Regional Development Agencies ♥	1,850,388
RfR1 - K3	the Local Better Regulation Office ♥	4,400
RfR1 - L3	the Competition Service ♥	4,427
RfR1 - L3	the Competition Commission ♥	21,175
RfR1 - M3	the United Kingdom Atomic Energy Authority ♥	6,660
RfR1 - O3	the Design Council ♦	6,185
RfR1 - O3	the Technology Strategy Board ♥	330,293
RfR2 - J3	Arts and Humanities Research Council ♥	106,000
RfR2 - K3	Biotechnology and Biological Sciences Research Council ♥	469,000
RfR2 - L3	Economic and Social Research Council ♥	179,000
RfR2 - M3	Engineering and Physical Sciences Research Council ♥	799,000
RfR2 - N3	Medical Research Council ♥	631,765
RfR2 - O3	Natural Environment Research Council ♥	421,491
RfR2 - P3	Higher Education Funding Council for England ♥	317,000
RfR2 - R3	Science and Technology Facilities Council ♥	607,150
RfR3 - G3	Higher Education Funding Council for England ♥	7,559,410
RfR3 - H3	Office For Fair Access ♥	486
RfR3 - I3	Student Loans Company ♦	79,942
RfR3 - J3	Investors in People UK ♥	5,029
RfR3 - K3	Learning and Skills Council ♥	13,110,900
RfR3 - L3	UK Commission for Employment and Skills ♥	92,405

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
As at 31 March 2009 the following liabilities fell to be met from the Department's Estimate: Statutory Liabilities Charged to Resource Estimates:	
The Department will meet the accrued Civil Service redundancy entitlement to date of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if: a) Their TEC makes them redundant due to direct government action during their first five years of employment; b) A court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes. Accrued civil service redundancy costs for secondees who resigned from the Department to join a TEC on or after 1 Jan 1993.	1,000
The Department has and will continue to give indemnities to Training and Enterprise Councils (TECs), Chamber of Commerce, Training and Enterprise Councils (CTEs), their representative TEC bodies and those concerned with the wind up, transfer or continuation of TEC delivered activity, where this will facilitate the conclusion of the working and contractual relationship between TECs, CTEs and Government, thereby ensuring the continuation of essential discretionary activity and the reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include: a) Liabilities that arise from the audit work carried out in respect of the delivery of activities funded through European Union initiatives or through single Regeneration Budget and other schemes sponsored by Government Departments other than the former DfES and DTI; b) Liabilities that arise from the transfer of TEC/CTE functions to successors, including from staff who have transferred or been made redundant, and who as a result of the transfer seek redress through the Employment Tribunal; c) Liabilities arising from properties leased by TECs/CTEs that they have been unable to dispose of by the time they wind up. The Department may take over these leases and dispose of them on behalf of the TECs/CTEs.	3,500 2,000 10,000
In order to ensure that the Croydon Local Learning and Skills Council (LLSC) commenced operations in April 2001 and because no suitable training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CTE) property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the LLSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LLSC is an unknown body with no financial history.	4,452
In order to ensure that the Learning and Skills Council (LSC) commenced operations in April 2001 and because no suitable Training and Enterprise Council (TEC) or Chamber of Commerce Training and Enterprise (CTE) property exists in the Brighton, Manchester or Coventry area an indemnity to give landlords a guarantee that, in the event of the LLSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LLSC is an unknown body with no financial history.	33,471
Liability to pay rent in respect of a lease that would arise if the current tenant defaults.	3,153

Contingent liabilities

Nature of Liability	£'000
Arrangement to allow the appointment of a receiver to any TEC we believe necessary.	6,000
Arrangement to allow the appointment of a receiver to manage the affairs of Merseyside Training and Enterprise Council (MTEC).	2,000
European Patent Office (EPO): the UK as one of the contracting states has a potential liability under Article 40 of the European Patent Convention of 1973.	Unquantifiable
World Intellectual Property Organisation the UK, as a contracting state to the Patent Co-operation Treaty of 1970, has a potential liability under Article 57 of the Treaty	Unquantifiable
Liabilities relating to the issue of licences to operators of satellites and other space objects.	Unquantifiable
The department has an outstanding legal claim for an early termination of a service contract delivering best practice and monitoring services to a third party.	Unquantifiable
Home Shipbuilding Credit Guarantee Scheme	19,000
A guarantee has been given to the Financial Reporting Council that if the amount held in the Legal Costs Fund falls below £1 million in any year, an additional grant will be made to cover legal costs subsequently incurred in that year	Unquantifiable
Any liabilities imposed by section 68, Telecommunications Act 1984	Unquantifiable
Any liabilities imposed by section 9, British Aerospace Act 1980	Unquantifiable
Local Network Indemnities	9,375
Callable capital subscription for the Common Fund for Commodities	1,960
Paid in capital subscription for the Common Fund for Commodities	2,240
Indemnities given to UKAEA by the Secretary of State to cover certain indemnities given by UKAEA to carriers and British Nuclear Fuels PLC against certain claims for damage caused by nuclear matter in the course of carriage	Unquantifiable
Indemnities equivalent to those given to civil servants under the Civil Service Management Code have been given to persons appointed to the Board of the Office of Fair Trading, including the Chairman	Unquantifiable
Indemnities given to Bankers of the Insolvency Services against certain liabilities arising in respect of non-transferable "account payee" cheques due to insolvent estates and paid into the Insolvency Service's account	Unquantifiable
The Police Information Technology Organisation (Home Office) provides BIS with access to data from the Police National Computer (PNC). BIS has indemnified the police against any liabilities which they might incur as a result of providing that access.	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
Non-Statutory Liabilities Charged to Resource Estimates:	
<p>Postal Services Limited: The department has made available to Post Office Limited, through an agreement reached on 17 October 2003, a revolving loan facility based on commercial terms of up to £1.15 billion. This is to help the company fund its working capital cash requirements in branch. The package was agreed against the background of the migration of State benefits payments to a system of direct payment, alongside a Government commitment that benefit recipients will still be able to collect their benefit, in cash and in full, from Post Office branches. Post Office Limited began utilising this facility on 1 December 2003. The facility matures on the 31 March 2011 by when any outstanding loans will need to have been repaid.</p>	Unquantifiable
<p>British Shipbuilders: There are contingent liabilities that arise from the department's assurances and guarantees to British Shipbuilders. Following a legal ruling in respect of pleural plaques claims (valued at £22.5m) on 17 October 2007, the House of Lords announced that compensation cannot be made on pleural plaques. This is the current position in England and Wales as the House of Lords judgement still stands. However, the Scottish Executive passed a Bill that is now an Act and appears on the statute book.</p>	Unquantifiable
<p>Industrial Development Act 1982: In the event of a confined downturn in the UK High Technology Investment Fund performance, the department has a liability to pay back to the Fund redemptions of £1.12million previously received</p>	Unquantifiable
<p>On 14 January 2009, the Secretary of State announced a support package designed to leverage £21.3bn of lending - made to the Enterprise Finance Guarantee Scheme (£1.3bn), the Capital for Enterprise Fund (£75m) and the Working Capital Scheme (£20bn) (the latter amended in Budget 09 to reflect the requirement for a Trade Credit Insurance "Top-up" Scheme) - to help companies struggling to access finance for working capital and investment in the current economic climate. The schemes are intended to support viable businesses that have been impacted through a combination of the credit crunch and economic downturn, during which lending conditions have tightened and payment periods extended:</p>	
<p>- Enterprise Finance Guarantee Scheme (which is planned to run to 31 March 2010, with exposures not exceeding 31 March 2020).</p>	Up to 100,000
<p>- Support enabling increased access to finance for SMEs, through the Working Capital Scheme (which is planned to run to and with exposures not exceeding 31 March 2011) and the Trade Credit Insurance "Top-up" Scheme (which ran to 31 December 2009, with exposures not exceeding 30 June 2010).</p>	Up to 10,000,000
<p>On 27 January 2009, the Secretary of State announced support for the automotive sector, including the loan guarantees which could enable up to £2.3bn in lending to Britain's automotive manufacturers and suppliers. Under State Aid rules, guarantees must be granted before 31 December 2010 and cannot exceed 90% of the loan.</p>	Up to 2,300,000

UK Trade & Investment

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer of £500,000 from BIS Strategic Investment fund (SIF) for Inward Investment Conference	500,000	
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
A2	A transfer to capital of £1,067,000 to allow more cover due to IFRS reclassification		-1,067,000
A2	Increase in resources to offset a negative reduction of £486,000 in the overall Net Resource Requirement which could not otherwise be presented to Parliament. This has no impact on budgets.	486,000	
<u>Other changes in DEL spending</u>			
A2	An increase of £81,000 resource depreciation cover due to IFRS reclassification	81,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A2	Transfer of £965,000 to working capital offset by depreciation cover	965,000	-965,000
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2 and A5	Increase in gross expenditure offset by increased appropriations-in-aid arising from income generated from UKTI chargeable services being higher than forecast in the Main Estimate.	1,194,000	-1,194,000

Introduction

Token increases

A2	Token increase to allow increase in appropriations-in-aid to be included in Estimate	1,000	
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<u>Totals</u>		3,227,000	-3,226,000
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<u>Total RfR 1</u>			1,000
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<u>Total change in resources for Estimate:</u>			1,000
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Changes in capital

Section Reason for Change

RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

A7	An increase of £2,673,000 transferred from BIS due to IFRS changes	2,673,000	
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Other changes

Transfers from resources to capital

A7	A transfer from resource of £1,067,000 to allow for more cover due to IFRS reclassification	1,067,000	
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<u>Totals</u>		3,740,000	-
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<u>Total RfR 1</u>			3,740,000
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<u>Total changes in capital for Estimate:</u>			3,740,000
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- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £4,174,000.
- Symbols are explained in the Introduction to this booklet.

UK Trade & Investment

Part I

	£
Request for Resources 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	4,174,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the UK Trade & Investment on:

RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment

Trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs), associated capital and other related expenditure and associated non-cash items.

The **UK Trade & Investment** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment					
		1,195	1,194	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Trade development and promotion and inward investment	96,362	1,195	1,194	1	96,363
Total for Estimate:		1,195	1,194	1	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	248	3,740	3,988
Non-Operating A in A	-	-	-
Net cash requirement	97,003	4,174	101,177

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment									
-	85,883	16,401	102,284	5,900	96,384	3,988	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Trade development and promotion and inward investment								
-	85,862	16,401	102,263	5,900	96,363	3,988	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B	Trade development and promotion and inward investment								
-	21	-	21	-	21	-	-		
Total for Estimate:									
-	85,883	16,401	102,284	5,900	96,384	3,988	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	96,383	1	96,384
Voted capital items			
Capital	248	3,740	3,988
Less Non-operating A-in-A	-	-	-
Total net voted capital	248	3,740	3,988
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	79	-	79
Depreciation	-187	-1,046	-1,233
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	480	1,479	1,959
Use of provisions	-	-	-
Total accruals to cash adjustments	372	433	805
Excess cash to be CFERd	-	-	-
Net Cash Requirement	97,003	4,174	101,177

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	95,898
Non-voted	-
Total Net Programme Costs	95,898
Total Net Operating Cost	95,898
<i>of which:</i>	
Net Resource Requirement	96,384
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-486
Resource Budget	95,898

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	96,384
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-486
Other adjustments	-
Net Operating Cost (Accounts)	95,898
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	95,898
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	95,877
Annually Managed Expenditure (AME)	21

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	3,988
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	3,988
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,988
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Sir Andrew Cahn, Chief Executive of UK Trade & Investment

Sir Andrew Cahn, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Andrew Cahn is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	
Programme	5,900
<i>of which:</i>	
Sale of goods and services	5,900
Total RfR 1	5,900†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to the provision of trade development services; asset sales; insurance claims; recovery of costs incurred on behalf of others; recovery of overpayments.</i>	
Total Operating A in A	5,900

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	-485	-	95,877	-	95,877
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	-1,531	-	94,744	-	94,744
Capital DEL ††	3,740	-	3,988	-	3,988
Less Depreciation †††	-1,046	-	-1,212	-	-1,212
Total DEL	2,209	-	98,653	-	98,653

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	5,900

Notes to the Estimate (*continued*)

Changes in Accounting Policies

This Supplementary Estimate reflects the full adoption of International Financial Reporting Standards with effect from 1 April 2009.

Office of Fair Trading

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Advancing and safeguarding the economic interests of UK consumers			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
A1	Budget transfer from Department for Business, Innovation and Skills for activity relating to Consumer White Paper funding	450,000	
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
A1	Transfer to allow increased capital investment in the OFT		-450,000
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A1,A5	Increase in gross expenditure offset by increased appropriations-in-aid arising from legal costs, and services provided to other departments, contributions from other departments towards the cost of market studies, Competition Act fees, Consumer Credit Licence Fees, Anti Money Laundering fees, BIS funding for Consumer Direct development, and payments from Home Office under the recovered assets incentivisation scheme	3,000,000	-3,000,000
<u>Token increases</u>			
A1	Token increase to allow increase in appropriations-in-aid to be included in the Estimate	1,000	
<u>Totals</u>		3,451,000	-3,450,000
Total RfR 1		1,000	
Total change in resources for Estimate:		1,000	

Introduction

Changes in capital

Section Reason for Change

RfR 1: Advancing and safeguarding the economic interests of UK consumers

Changes related to movements in budgets

Other changes

Transfers from resources to capital

A7	Expenditure on IT including on credit licencing system to comply with EU Services Directive, e-enforcement system and general IT infrastructure	450,000	
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Totals

450,000 -

Total RfR 1	450,000
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Total changes in capital for Estimate:	450,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £451,000.
- Symbols are explained in the Introduction to this booklet.

Office of Fair Trading

Part I

	£
Request for Resources 1: Advancing and safeguarding the economic interests of UK consumers	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	451,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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
RfR 1: Advancing and safeguarding the economic interests of UK consumers					
		3,001	3,000	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	66,070	3,001	3,000	1	66,071
Total for Estimate:		3,001	3,000	1	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	1,331	450	1,781
Non-Operating A in A	-	-	-
Net cash requirement	64,793	451	65,244

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Advancing and safeguarding the economic interests of UK consumers									
79,157	1,914	-	81,071	15,000	66,071	1,781	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration									
79,157	1,914	-	81,071	15,000	66,071	1,781	-		
Total for Estimate:									
79,157	1,914	-	81,071	15,000	66,071	1,781	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	66,070	1	66,071
Voted capital items			
Capital	1,331	450	1,781
Less Non-operating A-in-A	-	-	-
Total net voted capital	1,331	450	1,781
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-412	-	-412
Depreciation	-2,141	-	-2,141
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-55	-	-55
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,608	-	-2,608
Excess cash to be CFERd	-	-	-
Net Cash Requirement	64,793	451	65,244

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	63,210
Total Net Administration Costs	<u>63,210</u>
Net Programme Costs	
RfR 1	1,914
Non-voted	-
Total Net Programme Costs	<u>1,914</u>
Total Net Operating Cost	65,124
<i>of which:</i>	
Net Resource Requirement	66,071
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-947
Resource Budget	65,124

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	66,071
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-947
Other adjustments	-
Net Operating Cost (Accounts)	65,124
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	65,124
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	65,124
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	1,781
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	947
Other adjustments	-
Capital Budget (Budget)	2,728
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,728
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: John Fingleton, CEO of OFT

John Fingleton, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. John Fingleton is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Advancing and safeguarding the economic interests of UK consumers	
Administration	15,000
<i>of which:</i>	
Sale of goods and services	15,000
Total RfR 1	15,000†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recovery of legal costs, fees for common services provided to other departments, contributions from other departments towards the cost of market studies, recoveries of VAT, recovery of salaries of staff on loan or seconded to outside bodies, sale of plant and machinery, Competition Act fees, Consumer Credit Licence Fees, Anti Money Laundering fees, BIS funding for Consumer Direct development, and payments from Home Office under the recovered assets incentivisation scheme.</i>	
Total Operating A in A	15,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000				
	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	-946	-	65,124	-	65,124
<i>of which: †</i>					
Administration budget	-946	-	63,210	-	63,210
Near-cash in RDEL	-946	-	62,516	-	62,516
Capital DEL ††	1,397	-	2,728	-	2,728
Less Depreciation †††	-	-	-2,141	-	-2,141
Total DEL	451	-	65,711	-	65,711

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	15,000

Home Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Working together to protect the public			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
E2	Increase in programme to meet UKBA's strategic objective to 'secure our borders and control migration for the benefit of our country'.	17,000,000	
E2	Increase in programme for the Invest to Save Board funded Changing Community Project.	51,000	
I3	Increase in capital grants to meet the strategic delivery objective 'Lead visible, responsive and accountable policing'.	42,830,000	
K3	Increase in capital grants to meet strategic delivery objective 'Protect the public from terrorism'.	68,555,000	
<u>Take up of Departmental Unallocated Provision</u>			
E2	Re-imburement of programme to UKBA from the Migration Impact fund held within the DUP.	14,250,000	
G1	Admin from the DUP in exchange for programme to correct the mid year review allocation made in the winter supplementary. The reduction in programme is shown in the 'Transfers to/from non voted spending' section below.	19,000,000	
B2	Programme from the DUP in return for admin to reflect the latest forecast breakdown of the delegated budgets. The reduction in admin is shown in the 'Transfers to/from non voted spending' section below.	1,000,000	
K3	Drawdown of capital grants following a re-classification of programme DUP to capital. This reflects the latest forecast breakdown of delegated budgets.	8,889,000	

Introduction

	Drawdown of remaining DUP:		
G1	Admin	17,222,000	
G2	Programme	8,779,000	
A2	Programme	2,000,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
G1	Increase in admin spending for the Parliamentary Counsel office. This is a re-allocation of resource DEL from the Cabinet Office.	856,000	
G2	Reduction in programme spending. This is a re-allocation of resource DEL to the Ministry of Justice for science and technology costs.		-273,000
G1	Reduction in admin spending. This is a re-allocation of resource DEL to the Ministry of Justice for shared accommodation costs.		-14,792,000
G1	Increase in admin spending following the reversal of a previous transfer to the Ministry of Justice for payroll services.	376,000	
D2	Reduction in programme spending representing a decrease in the balance of counter terrorism funding returned to the Home Office. This is a re-allocation of resource DEL to the Cabinet Office.		-600,000
	<u>Transfers from resource spending to capital spending (capital grants)</u>		
A2 to A3	Programme switched to a capital grant in favour of the Forensic Science Service. This transfer is neutral in estimates but is a switch from resource to capital DEL in budgets.	9,000,000	-9,000,000
	<u>Other changes in DEL spending</u>		
	Treatment of recording employee benefits in accordance with International Financial Reporting Standards (IFRS) moves from AME to programme DEL. The corresponding reduction in AME is shown in the 'Changes in Annually Managed Expenditure (AME)' section below.		
A2		28,000	
D2		16,000	
E2		453,000	
F2		500,000	
G2		59,000	
	Change in admin near cash and programme near and non cash as a result of a revised forecast of the cost of reporting employee benefits in accordance with IFRS.		
E1		103,000	
E2			-22,000

Introduction

E2	Increase in programme to reflect the accounting treatment of finance leases under International Financial Reporting Standards (IFRS).	10,308,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
S2	Treatment of recording employee benefits in accordance with International Financial Reporting Standards (IFRS) moves from AME to DEL. The increase in DEL is shown in the 'Other changes in DEL spending' section above.		-1,056,000
O3	Increase to reflect the latest forecast of the police pensions shortfall.	36,000,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
E1 to E2	Re-classification of admin into programme as a result of the winter supplementary machinery of government transfer from HM Revenue & Customs. Programme non cash in return for programme near cash for the National Identity Assurance Service (NIAS).	262,836,000	-262,836,000
E2 to F2	Non cash	400,000	-400,000
F2 to E2	Near cash	400,000	-400,000
E1 to G1	Admin funding for the Customer Relations Team.	126,000	-126,000
F1 to G1	Admin funding for information management services.	14,000	-14,000
I3 to J3	Capital grant re-allocation to reflect the latest forecast breakdown of delegated budgets.	300,000	-300,000
<u>Transfers to/from non-voted spending</u>			
G2	Programme to the DUP in exchange for admin to correct the mid year review allocation made in the winter supplementary. The increase in admin is shown in the 'Take-up of Departmental Unallocated Provision' section above.		-19,000,000
B1	Admin to the DUP in return for programme to reflect the latest forecast breakdown of the delegated budgets. The increase in programme is shown in the 'Take-up of Departmental Unallocated Provision' section above.		-1,000,000
A2	Programme near cash from the National Policing Improvement Agency in return for non cash to reflect the latest forecast breakdown of delegated budgets.	4,000,000	-4,000,000

Introduction

A2	Programme near cash from the Serious Organised Crime Agency in return for non cash to reflect the latest forecast breakdown of delegated budgets.	2,000,000	-2,000,000
I3	Capital grants to capital additions for the Security Industry Authority to reflect the latest forecast breakdown of delegated budgets. Programme from the National Policing Improvement Agency to reflect the latest forecast breakdown of delegated budgets:		-200,000
B2		1,050,000	
I3		2,000,000	
	Programme non cash to the National Policing Improvement Agency to reflect the latest forecast breakdown of delegated budgets:		
A2			-2,000,000
B2			-1,800,000

Changes in non-budget spending

R3	Increase in grant in aid to the Security Industry Authority following transfers of capital grant from section I (£200k) and capital from the Independent Police Complaints Commission (£300k) to reflect the latest forecast breakdown of delegated budgets. The reduction in capital grants is shown under the 'Transfers to/from non-voted spending' section above.	500,000	
R3	Increase in grant in aid to the Independent Police Complaints Commission. This results from transfers of capital to section C (£500k) and the Security Industry Authority (£300k) and programme from the National Policing Improvement Agency (£950k). The increase in capital in section C is shown under the 'Transfers to/from non voted spending' heading of the 'Changes in capital' section below.	150,000	
R3	Reduction in grant in aid to the National Policing Improvement Agency. This results from transfers of programme to section A (£4,000k), section B (£1,050k), section I (£2,000k) and the Independent Police Complaints Commission (950k). The increases are shown in the 'Transfers to/from non-voted spending' section above.		-8,000,000
R3	Reduction in grant in aid to the Serious Organised Crime Agency resulting from a transfer of programme to section A. The increase in section A is shown in the 'Transfers to/from non-voted spending' section above.		-2,000,000

Introduction

Transfers from capital to capital grants

Change of resource allocation to reflect the latest forecast of capital grants. The reduction in capital is shown in the 'Transfers from capital to capital grants' heading in the 'Changes in capital' section below.

A7 to I3	3,950,000
D7 to K3	7,544,000

Changes in operating appropriations in aid (fully offset by changes in spending)

E2 and E5	Increase in programme income and near-cash spending for Gurkha settlement casework.	255,000	-255,000
G1 and G5	Increase in admin income and near-cash spending for the shared property service's management of	14,441,000	-14,441,000
G2 and G5	Increase in programme income and near-cash spending for the shared property service's management of the NOMS estate.	14,252,000	-14,252,000
D2 and D5	Increase in programme income and near-cash spending for research information and communications data.	7,375,000	-7,375,000
C1 and C5	Increase in admin income and near-cash spending to reflect the latest forecast breakdown of delegated budgets.	3,628,000	-3,628,000

<u>Totals</u>	582,496,000	-369,770,000
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<u>Total RfR 1</u>	212,726,000
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<u>Total change in resources for Estimate:</u>	212,726,000
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Changes in capital

<u>Section</u>	<u>Reason for Change</u>
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RfR 1: Working together to protect the public

Changes related to movements in budgets

Take up of DEL End-Year flexibility

A7	Increase to meet the strategic delivery objective 'Lead visible, responsive and accountable policing'.	8,123,000
E7	Increase to meet strategic delivery objective 'Secure our borders and control migration for the benefit of the country'.	30,492,000

Introduction

Take up of Departmental Unallocated Provision

Drawdown of capital following a re-classification of programme DUP to capital to reflect the latest forecast breakdown of delegated budgets.

D7	4,811,000
E7	10,000,000
F7	6,300,000

Transfers of budgetary cover to/from other government departments Other changes in DEL spending

Transfers to/from non-voted spending

C7	Capital from the Independent Police Complaints Commission to reflect the latest forecast breakdown of delegated budgets.	500,000
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Changes in non-budget spending

Change of resource allocation to reflect the latest forecast of capital grants. The increase in capital grants is shown in the 'Transfers from capital to capital grants' heading in the 'Changes in resources' section above.

A7 to I3	-3,950,000
D7 to K3	-7,544,000

Changes in non-operating appropriations in aid (fully offset by changes in spending)

G7 and G8	Increase in capital income and expenditure to reflect the disposal of surplus property.	4,250,000	-4,250,000
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<u>Totals</u>	64,476,000	-15,744,000
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<u>Total RfR 1</u>	-	48,732,000
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<u>Total changes in capital for Estimate:</u>	48,732,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £256,047,000.
- Symbols are explained in the Introduction to this booklet.

Home Office

Part I

	£
Request for Resources 1: Working together to protect the public	212,726,000
Total additional net resource requirement	212,726,000
Additional net cash requirement	256,047,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Home Office on:

RfR 1: Working together to protect the public

Police; set-up costs, loans and investments in the Forensic Science Service; registration of forensic practitioners; emergency planning; the prevention and treatment of drug abuse; crime reduction and prevention; regulation of the private security industry; criminal justice planning system and other services related to crime; identity cards; identity management; counter-terrorism and intelligence; control of immigration and nationality; passports; work permits; support for asylum seekers, refugees (including the provision of loans) and VCS refugee organisations; firearms compensation and related matters; claims by local authorities for the Kosovan evacuees special grant; support to local authorities, including Area Based Grants; payments to other Government departments; payments of grant and grant-in-aid to organisations promoting Home Office objectives, (including Non-Departmental Public Bodies); the administration and operation of the department; and associated non-cash items.

The **Home Office** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Working together to protect the public						
		252,677	39,951	212,726		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Police	69,223	1,028	-	1,028	70,251
B	Crime reduction and Drugs	70,432	-750	-	-750	69,682
C	Criminal Records Bureau	-59,848	3,628	3,628	-	-59,848
D	Office of Security and Counter terrorism	254,408	5,791	7,375	-1,584	252,824
E	UK Border Agency	1,457,105	42,272	255	42,017	1,499,122
F	Identity and passport service	113,905	486	-	486	114,391
G	Central services	165,518	41,060	28,693	12,367	177,885
<i>Support for Local Authorities</i>						
I	Police grants	5,602,472	48,280	-	48,280	5,650,752
J	Crime Reduction and Drugs grants	217,549	300	-	300	217,849
K	Office for Security and Counter Terrorism grants	660,818	84,988	-	84,988	745,806
Spending in Annually Managed Expenditure (AME)						
<i>Support for Local Authorities</i>						
O	Police Superannuation	697,000	36,000	-	36,000	733,000
Non-Budget						
R	Grant in aid to NDPBs	1,156,637	-9,350	-	-9,350	1,147,287

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
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
S AME Charges	1,056	-1,056	-	-1,056	-
Total for Estimate:		252,677	39,951	212,726	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	304,109	52,982	357,091
Non-Operating A in A	137	4,250	4,387
Net cash requirement	11,030,124	256,047	11,286,171

Part II: Revised subhead detail including additional provision

							£'000	
Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Working together to protect the public								
	395,476	3,288,474	8,913,203	12,597,153	1,505,409	11,091,744	357,091	4,387
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Police							
	26,542	63,027	34,746	124,315	54,064	70,251	8,123	-
B	Crime reduction and Drugs							
	25,614	11,936	38,632	76,182	6,500	69,682	-	-
C	Criminal Records Bureau							
	59,852	300	-	60,152	120,000	-59,848	500	-
D	Office of Security and Counter terrorism							
	25,674	128,449	111,983	266,106	13,282	252,824	33,123	-
E	UK Border Agency							
	107,372	2,161,229	-	2,268,601	769,479	1,499,122	187,424	137
F	Identity and passport service							
	2,627	497,051	-	499,678	385,287	114,391	118,671	-
G	Central services							
	147,795	184,230	11	332,036	154,151	177,885	9,250	4,250
H	European Solidarity Mechanism							
	-	-	1	1	-	1	-	-
<i>Support for Local Authorities</i>								
I	Police grants							
	-	-	5,650,752	5,650,752	-	5,650,752	-	-
J	Crime Reduction and Drugs grants							
	-	-	217,849	217,849	-	217,849	-	-
K	Office for Security and Counter Terrorism grants							
	-	-	745,806	745,806	-	745,806	-	-
L	UK Border Agency							
	-	-	144,700	144,700	-	144,700	-	-
M	Area Based Grants							
	-	-	79,591	79,591	-	79,591	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
N	Police superannuation							
	-	-	900	900	2,646	-1,746	-	-

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating		
1	2	3	4	5	6	7	A in A	8	
<i>Support for Local Authorities</i>									
O	Police Superannuation	-	-	733,000	733,000	-	733,000	-	-
Non-Budget									
P	Fine refunds to carriers	-	37	-	37	-	37	-	-
Q	Loan charges	-	-	7,945	7,945	-	7,945	-	-
R	Grant in aid to NDPBs	-	-	1,147,287	1,147,287	-	1,147,287	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
S	AME Charges	-	-	-	-	-	-	-	-
Non-Budget									
T	IFRS Adjustments	-	242,215	-	242,215	-	242,215	-	-
Total for Estimate:									
	395,476	3,288,474	8,913,203	12,597,153	1,505,409	11,091,744	357,091	4,387	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	10,879,018	212,726	11,091,744
Voted capital items			
Capital	304,109	52,982	357,091
Less Non-operating A-in-A	137	4,250	4,387
Total net voted capital	303,972	48,732	352,704
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-23,323	-435	-23,758
Depreciation	-148,622	-4,976	-153,598
New provisions and adjustments to previous provisions	-13,309	-	-13,309
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	4,971	-	4,971
Increase (-) / Decrease (+) in creditors	15,087	-	15,087
Use of provisions	12,330	-	12,330
Total accruals to cash adjustments	-152,866	-5,411	-158,277
Excess cash to be CFERd	-	-	-
Net Cash Requirement	11,030,124	256,047	11,286,171

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	246,339
Total Net Administration Costs	<u>246,339</u>
Net Programme Costs	
RfR 1	10,845,405
Non-voted	-140,000
Total Net Programme Costs	<u>10,705,405</u>
Total Net Operating Cost	10,951,744
<i>of which:</i>	
Net Resource Requirement	11,091,744
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-140,000
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	10,300,738

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	11,091,744
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-140,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	10,951,744
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-368,257
European Union income related to capital grants	-
Voted expenditure outside the budget	-250,197
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	16,000
Resource consumption of non departmental public bodies	-273,142
Unallocated resource provision	-
Other adjustments	224,590
Resource Budget (Budget)	10,300,738
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,569,484
Annually Managed Expenditure (AME)	731,254

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	352,704
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	207,200
Capital grants	368,257
European Union income related to capital grants	-
Supported capital expenditure (revenue)	73,320
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	5,600
Capital Budget (Budget)	1,007,081
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,007,081
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

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

Sir David Normington, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir David Normington is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Working together to protect the public	
Administration	149,137
<i>of which:</i>	
Sale of goods and services	149,137
Programme	1,356,272
<i>of which:</i>	
Sale of goods and services	991,034
Regulatory licences, fines, penalties and taxes	352,692
Pension scheme related income	2,646
Other income (including receipts)	9,900
Total RfR 1	1,505,409†
<p>† Amount that may be applied as operating 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.</p> <p>Also: European Fast Stream receipts from the Cabinet Office, subsidies under the Welfare to Work programme, contributions towards grant programmes, training services, profit on the sale of capital assets, compensation and insurance, contributions towards criminal justice system initiatives, rebates and commission from service contracts, payments from Health Authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England.</p> <p>Payment of dividends and repayment of principal and interest on the deemed and long-term loans by the Forensic Science Service, receipts from police training courses and repayment services, police examinations board, Police National Computer Organisation repayment services, loan of specialised equipment, repayment of support for Police Dependants Trust, National Identification Bureau-subject access fees.</p> <p>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.</p> <p>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.</p>	
Total Operating A in A	1,505,409

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

£'000

2009-10

RfR 1: Working together to protect the public

Programme	4,387
<i>of which:</i>	
Sale of assets	4,387

Total RfR 1	4,387†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of land, buildings, plant, equipment, vehicles and other capital assets and contributions to criminal justice system initiatives.

Total Non-Operating A in A	4,387
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	46,564	-85,434	8,589,149	980,335	9,569,484
<i>of which: †</i>					
Administration budget	-241,071	-35,222	246,339	152,908	399,247
Near-cash in RDEL	41,153	-92,736	8,418,215	930,329	9,348,544
Capital DEL ††	189,300	-300	726,561	280,520	1,007,081
Less Depreciation †††	-4,976	-9,800	-133,867	-65,124	-198,991
Total DEL	230,888	-95,534	9,181,843	1,195,731	10,377,574

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,509,796

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Home Office has fully adopted IFRS since the last publication of our Main Supply Estimates, and these standards took effect from 1 April 2009. The adoption of IFRS has led to some alteration in the presentation of the Home Office's provision as set out in the Introduction.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Notes to the Estimate (*continued*)**Grants in aid**

RfR/Section	Body	£'000
RfR - R	Independent Police Complaints Commission ♥	38,474
RfR - R	Serious Organised Crime Agency ♥	458,272
RfR - R	Office of the Immigration Service Commissioner ♥	5,404
RfR - R	National Policing Improvement Agency ♥	631,737
RfR - R	Independent Safeguarding Authority ♥	13,400

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
<p>The Home Office has entered into the following quantifiable contingent liabilities by offering guarantees, indemnities or by giving letters of comfort. None of these is a contingent liability within the meaning of FRS 12 since the likelihood of a transfer of economic benefit in settlement is too remote.</p>	
Non-statutory liabilities	
Indemnity provided to British Airports Authority (BAA) in respect of damage or injury caused to third parties from the UK Border Agency (UKBA) in their use of vehicles operating airside while transporting immigration officers between airside	52,000
Indemnity provided to British Airports Authority (BAA) in respect of damage or injury caused to third parties from negligence of Home Office staff in their use of vehicles operating airside. (Minute dated 19 November 2008)	50,000
The Home Office Central London Accommodation (HOCLAS) Project for redundancy costs incurred in the relocation of Home Office accommodation to Marsham Street. (Minute dated 23 January 2002)	1,000
The Security Industry Authority (SIA) registered a contingent liability concerning the effect of Transfer of Undertakings Protection of Employment (TUPE) with certain local authority staff who did license door supervisors for the Security Industry. (Minute dated	3,000
Potential costs incurred if the Sirius IT contract was terminated.	12,000
Indemnity in respect of rolling out the Airwave contract in the London Underground (amount capped per incident). (Minute dated 15 Oct 2009)	100,000
Guarantee to the Forensic Science Service (FSS) to meet obligations under its tenancy agreement. (Minute dated 27 July 2009)	26,000
Claims arising from the Simplifying Passenger Travel Interest Group (SPT) not exceeding £5m. (Minute dated 8 July 2008)	5,000
Indemnity granted in relation to Cyclamen programme. (Minute dated 17 July 2009)	8,742

The following liabilities are judged to be unquantifiable:

Police – City of London Economic Crime Basic Command Unit (ECBCU) (Minute dated 12 March 2004)

If the Home Office reduces or discontinues its share of the match funding of the expanded ECBCU then it will contribute up to 50% to any resulting costs eg, redundancy payment or property cost.

Contingent liabilities

Nature of Liability
£'000**Indemnities**

Home Office Central London Accommodation Strategy (HOCLAS) (Minute dated 23 January 2002)

The Home Office has indemnified the contractor for an unquantifiable amount against any financial loss arising from the Home Office providing defective information in respect of the contract.

UKBA New Detection Technology in Belgium and Eire (Minute dated 10 September 2003)

All NDT equipment is loaned by the United Kingdom Immigration Service to recipients:

- Zeebrugge: Heartbeat equipment and building. Zeebrugge: One Passive Millimetric Wave Imager Truck;
- Rosslare: One Passive Wave Millimetric Wave Imager Truck

UKBA New Detection Technology in Belgium, Holland and Germany (Minute dated 18 December 2003)

All NDT equipment is loaned by the United Kingdom Immigration Service to recipients:

- Zeebrugge: Fuher heartbeat equipment and building;
- Ostend and Zeebrugge: Heartbeat equipment and shelters;
- Vlissingen: Heartbeat equipment and shelters.

Contingent liabilities

Nature of Liability	£'000
UKBA New Detection Technology in France (Minute dated 18 December 2003)	
All NDT equipment is loaned by the United Kingdom Immigration Service to recipients	
Action with UK and French Memorandum of Understanding	
Calais: heartbeat equipment and building, Passive Millimetric Wave Imager trucks	
;	
Coquelles: heartbeat detection unit at the Eurotunnel operated in the juxtaposed control zone by the UKIS.	
Action since English/French convention signed 24 November 2003	
<ul style="list-style-type: none"> • Caen/Quistreham: Passive Millimetric Wave Imager to commence Spring 2004; • Caen/Quistreham: Heartbeat equipment and building to commence operation in Summer 2004 • Cherbourg: Passived Millimetric Wave Imager to commence operation in Spring 2004; • Cherbourg: Heartbeat equipment and building to commence operation in Summer • Dieppe: Heartbeat equipment and building to commence operation in Summer • Dunkerque: Heartbeat equipment and building to commence operation in Summer 2005. Heartbeat equipment and building operated by the UKIS in the juxtaposed control zone and commence operation in Spring 2004; • Le Havre: Passive Millimetric Wave Imager, Heartbeat equipment and building to commence operation in Spring 2004; • Roscoff: Heartbeat equipment and building to commence operation in Summer 2004; St Malo: CO2 probes to be operated by French operators. 	
UKBA New Detection Technology in France and Austria (Minute dated 16 March 2004)	
All NDT equipment is loaned by the United Kingdom Immigration service to recipients.	
<ul style="list-style-type: none"> • Coquelles: Shelter for and heartbeat detection equipment which is under control 	
UKBA New Detection Technology in Europe (Minute dated 2 July 2004)	
Indemnity in respect of the deployment and/or demonstration of New Defence Technology by the United Kingdom Immigration Service in Europe. Within the scope of this indemnity "Europe" is defined as the member states of the Organisation for Security and Co-operation in Europe (OCSE); those North African and Middle Eastern countries with which the OCSE has special relationships (Algeria, Israel, Jordan, Morocco and Tunisia); and those countries which participate in Euro-Mediterranean dialogue with the Council of Europe (Libya, Syria, Lebanon and the Palestinian Authority).	
Kent Police and Kent Police Authority (Minute laid 10 October 2005)	

Contingent liabilities

Nature of Liability	£'000
Indemnity for Kent Police, and the Kent Police Authority, in respect of any financial liability arising from their giving evidence in respect of the Euro Tunnel	
Harmondsworth and Campsfield Inquiry Team (Minute laid 14 July 2007)	
Indemnity provided to the Chairman and members of the team carrying out, in good faith and honesty, the inquiry into the disturbances at the Harmondsworth and Campsfield Immigration Removal Centres.	
Serious Organised Crime Squad (Minute laid 1 July 2008)	
Indemnities issued to third parties for the use of their facilities for firearms training, with the maximum exposure limited to £50m	
CIFAS – Fraud Protection Service (Minute laid 1 July 2008)	
To indemnify bodies against erroneous data entered on the CIFAS database, resulting in claims lodged against those organisations from 21 July 2008.	
Neighbourhood Watch (Minute dated 26 February 2009)	
To indemnify Neighbourhood Watch schemes against claims lodged against them. Cover provided in excess of £5m (aggregated value of claims) that is provided by products liability insurance paid by the Home Office.	
Neighbourhood Watch (Minute laid 21 April 2009)	
To indemnify Neighbourhood Watch schemes against claims lodged against them. Cover provided in excess of £5m (aggregated value of claims) that is provided by public liability insurance paid by the Home Office.	
Cyclamen (Minute dated 29 May 2009)	
Indemnities to various port and airport authorities with the maximum exposure limited to £115, and with no individual indemnity being above £10m.	

Charity Commission

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Giving the public confidence in the integrity of charity			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
A1	To pay for website enhancements to improve accessibility in line with the Government's initiative to increase online interaction with government Departments.	54,000	
A1	To cover depreciation in respect of capital expenditure relating to our modernisation programme.	205,000	
<u>Totals</u>		259,000	-
Total RfR 1			259,000
Total change in resources for Estimate:			259,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £54,000.
3. Symbols are explained in the Introduction to this booklet.

Charity Commission

Part I

	£
Request for Resources 1: Giving the public confidence in the integrity of charity	259,000
Total additional net resource requirement	259,000
Additional net cash requirement	54,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Charity Commission on:

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

Administration, capital expenditure and associated non-cash items.

The **Charity Commission** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Giving the public confidence in the integrity of charity		259	-	259	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	31,219	259	-	259	31,478
Total for Estimate:		259	-	259	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	1,315	-	1,315
Non-Operating A in A	-	-	-
Net cash requirement	31,434	54	31,488

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Giving the public confidence in the integrity of charity									
32,978	-	-	32,978	1,500	31,478	1,315	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration									
32,978	-	-	32,978	1,500	31,478	1,315	-		
Total for Estimate:									
32,978	-	-	32,978	1,500	31,478	1,315	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	31,219	259	31,478
Voted capital items			
Capital	1,315	-	1,315
Less Non-operating A-in-A	-	-	-
Total net voted capital	1,315	-	1,315
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-150	-	-150
Depreciation	-770	-205	-975
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,100	-205	-1,305
Excess cash to be CFERd	-	-	-
Net Cash Requirement	31,434	54	31,488

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	31,478
Total Net Administration Costs	<u>31,478</u>
Total Net Operating Cost	31,478
<i>of which:</i>	
Net Resource Requirement	31,478
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	31,478

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	31,478
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	31,478
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	31,478
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	31,478
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	1,315
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	1,315
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,315
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

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

Andrew Hind, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Andrew Hind is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Giving the public confidence in the integrity of charity	
Administration	1,500
<i>of which:</i>	
Sale of goods and services	1,500
Total RfR 1	1,500†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of copies of documents, and amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project, amounts which relate to funding from the Department of Government and Local Communities for the Faith and Social Cohesion Unit and sub-letting of part of the London building.</i>	
Total Operating A in A	1,500

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000				
	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	259	-	31,478	-	31,478
<i>of which: †</i>					
Administration budget	259	-	31,478	-	31,478
Near-cash in RDEL	54	-	30,173	-	30,173
Capital DEL ††	-	-	1,315	-	1,315
Less Depreciation †††	-205	-	-975	-	-975
Total DEL	54	-	31,818	-	31,818

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,500

Ministry of Justice

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
A1	Workforce Modernisation Funding	7,000,000	
<u>DEL Reserve claims</u>			
A2	Carter Prison Capacity Programme	34,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
Net Transfers from the Home Office totalling £15,065,000 as follows:			
A1	i) Accommodation costs	14,441,000	
A1	ii) Cost of Capital	351,000	
A2	iii) Messenger services	273,000	
Net Transfers from the Cabinet Office totalling £1,166,000 as follows:			
A2	Costs of the Parliamentary Counsel Office	1,166,000	
Net Transfers to the Department of Health totalling £568,000 as follows:-			
H2	Increased health costs as a result of the Prisons Capacity Programme		-568,000

Introduction

Net transfers to the Department for Business Innovation and Skills totalling £2,538,000 as follows:-

H2	i) Offender Learning, transfer of resources relating to skills costs of additional prison capacity (relating to 2005-2010)		-2,624,000
E2	ii) Creation Consumer Credit Appeals Tribunal	75,000	
E2	iii) Estate Agents Appeals Panel	11,000	

Net transfers to the Crown Prosecution Service totalling £500,000 as follows:-

H2	Corporate Manslaughter Cases		-500,000
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Net transfers to the Supreme Court totalling £530,000 as follows:-

A2	i) Receipt of Non Cash due to reprofiling of Supreme Court Budgets	1,000,000	
A2	ii) Transfer of Near Cash due to reprofiling of Supreme Court Budgets		-470,000

Other changes in DEL spending

B2	Effects of the implementation of IFRS near cash	9,575,000	
B2	Effects of the implementation of IFRS non cash		-1,920,000
H2	Effects of the implementation of IFRS near cash	4,806,000	
G1	Effects of the implementation of IFRS near cash	241,000	
C2	Effects of the implementation of IFRS near cash	189,000	
C2	Effects of the implementation of IFRS non cash		-25,000
E2	Effects of the implementation of IFRS near cash	68,000	
E2	Effects of the implementation of IFRS non cash	54,000	
A2	Effects of the implementation of IFRS near cash	100,000	
A2	Effects of the implementation of IFRS. Transfer of Middlesex Guildhall to UKSC resulting in profit on disposal of asset.		-11,000,000
A2	Transfer of resource funding from Criminal Injuries Compensation Authority	20,000,000	
A2	Transfer of resource funding from Office of Legal Complaints	6,124,000	
F2	Transfer of resource funding from Youth Justice Board to MOJ in relation to Youth Crime Action Plan	4,650,000	

Introduction

A2	Transfer of Funding from Legal Services Commission Administration to MOJ in relation to Savings	4,000,000	
A2	Transfer of resource from the Legal Services Board	3,501,000	
A2	Transfer of Funding to Legal Services Commission Administration in relation to Modernisation Funding		-5,400,000
B2	Transfer of Non cash funding from HMCS to Criminal Injuries Compensation Authority		-5,000,000
A2	Transfer of Funding to Criminal Injuries Compensation Authority in relation to Modernisation Funding		-296,000
A2	Transfer of Non Cash funding from MOJ to Criminal Cases Review Commission		-35,000
A2	Transfer of Funding to Legal Service Commission		-12,000,000
F2	Transfer of Funding to Legal Service Commission		-4,000,000
H2	Transfer of Funding to Legal Service Commission		-44,000,000

Changes in Annually Managed Expenditure (AME)

X2	Impairment of the NOMS Estate	600,000,000	
W2	Impairment of the HMCS Estate	220,000,000	
V2	Impairment of the Supreme Court Building	39,200,000	

Other changes

Resource transfers within the Request for Resources

G2 to H2	Alignment of NOMS HQ and NOMS Operations Spending	208,143,000	-208,143,000
F2 to A2	Transfer of ICT Function	21,685,000	-21,685,000
G2 to H2	Alignment of NOMS HQ and NOMS Operations Spending	19,666,000	-19,666,000
A2 to B2	Workforce Modernisation Funding	9,200,000	-9,200,000
A1 to H1	Transfer of HOPPS corporate Costs	5,289,000	-5,289,000
E1 to A1	Reprofiling of budget within Tribunals Service	2,849,000	-2,849,000
A2 to E2	Reprofiling of budget within Tribunals Service	2,849,000	-2,849,000
F1 to A1	Transfer of ICT Function	2,064,000	-2,064,000
A2 to F2	Enhanced Services for Victims	2,000,000	-2,000,000
A2 to H2	VFM Transfer for approved Business Cases	1,000,000	-1,000,000
A2 to C2	Workforce Modernisation Funding	900,000	-900,000
F2 to H2	Eden House services	300,000	-300,000
C2 to B2	Funding for Court of Protection	200,000	-200,000
F2 to H2	Development and Commissioning of services in Bolton/Preston	100,000	-100,000

Introduction

B2 to F2	Sitting without Legal Advisor Project	78,000	-78,000
F2 to H2	Eden House Services	75,000	-75,000
E2 to A2	New Tribunals Website	60,000	-60,000
F2 to A2	CJ tracker	51,000	-51,000
A2 to F2	Staff transfer	46,000	-46,000
G1 to A1	Recruitment Campaign	25,000	-25,000
A2 to B2	Transparency Pilot Funding	16,000	-16,000
E2 to A2	SENTR Database Support	14,000	-14,000
B2 to A2	Training Suites Hardware	11,000	-11,000
B2 to A2	Caernafon CJC	11,000	-11,000
C2 to A2	Secretary to Public Guardian Board	6,000	-6,000

Increases in non-budget spending

I3	Increase in Grant Funding for Legal Services Administration due to increase in Capital Funding	12,900,000	
K3	Transfer of Grant funding from Community Legal service to Criminal Defence service	12,300,000	
I3	Increase in Grant Funding for Legal Services Administration due to Modernisation Funding Transfer	5,400,000	
I3	Transfer of Grant funding from Community Legal Service to Legal Service Commission Administration in relation to Crown Courts mean testing	3,100,000	
U3	LSB Additional Grant Funding	568,000	
Q3	Increase in Grant Funding for Criminal Injuries Compensation Authority due to increase in Capital Funding	500,000	
T3	OLC Additional Grant Funding	476,000	
Q3	Increase in Grant Funding for Criminal Injuries Compensation Authority due to Workforce Modernisation Funding	296,000	
Q3	Effects of the implementation of IFRS on the Ministry of Justice	150,000	
P3	Effects of the implementation of IFRS on the Ministry of Justice	70,000	
N3	Increase in Grant Funding for Parole Board due increase in Capital Funding	47,000	
J3	Increase in Grant funding for Criminal Defence Service	16,000,000	
K3	Increase in Grant Funding for Community Legal Service	44,000,000	

Decreases in non-budget spending

Q3	Reduction in Grant Funding for Criminal Injuries Compensation Authority		-20,000,000
J3	Transfer of Grant funding from Community Legal Service to Criminal Defence service		-12,300,000

Introduction

P3	Reduction in Grant Funding for Youth Justice Board due to transfer of Youth Crime Action Funding to MOJ		-4,650,000
I3	Reduction in Grant Funding from Legal Services Commission Administration in relation to Savings		-4,000,000
J3	Transfer of Grant funding from Community Legal Service to Legal Service Commission Administration in relation to Crown Courts mean testing		-3,100,000
O3	Reduction in Grant Funding for National Probation Service Local Area Boards due to decrease in Capital Funding		-524,000

Changes in operating appropriations in aid
(fully offset by changes in spending)

H2 and H5	Increase in Resource and Appropriations in Aid in NOMS Operations due to transfer of function from National Probation Boards	4,425,000	-4,425,000
A2 and A5	Reduction in Resource and Appropriations in Aid due to transfer of function	3,150,000	-3,150,000
A2 and A5	Reduction in Resource and Appropriations in Aid due to transfer of function	4,194,000	-4,194,000
A2 and A5	Increase in Resource and Appropriations in Aid for Funding to be received from European Commission on Human Rights	20,000	-20,000
A1 and A5	Reduction in resource and appropriations in aid in relation to administrative income	14,331,000	-14,331,000
G1 and G5	Increase in resource and appropriations in aid in relation to administrative income	14,331,000	-14,331,000
A2 and A5	Reduction in resource and appropriations in aid in relation to programme income	22,400,000	-22,400,000
A1 and A5	Increase in resource and appropriations in aid in relation to administrative income	22,400,000	-22,400,000
A2 and A5	Reduction in resource and appropriations in aid in relation to programme income reallocation	16,196,000	-16,196,000
H2 and H5	Increase in resource and appropriations in aid in relation to programme income reallocation	16,196,000	-16,196,000
	Totals	1,460,913,000	-526,693,000

Total RfR 1

934,220,000

Introduction

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

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

A1	Drawdown of EYF	496,000	
A5	Drawdown of EYF	300,000	
B1	Drawdown of EYF	779,000	
B5	Drawdown of EYF		-700,000
C2	Drawdown of EYF	325,000	

Other changes in DEL spending

A1	Effects of the implementation of IFRS on the Scotland Office	28,000	
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Other changes

Increases in non-budget spending

D3	Increase in grant payable to Scottish Consolidated Fund	127,599,000	
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<u>Totals</u>		129,527,000	-700,000
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<u>Total RfR 2</u>			128,827,000
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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

Section Reason for Change

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

Net Transfers from the Cabinet Office totalling £230,000 as follows:

A1	Costs relating to the Parliamentary Counsel Office	230,000	
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Introduction

Other changes in DEL spending

A1	Effects of the implementation of IFRS on the Wales Office	116,000	
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Other changes

Increases in non-budget spending

B3	Increase in grant payable to Welsh Consolidated Fund	309,858,000	
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<u>Totals</u>		310,204,000	-
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<u>Total RfR 3</u>			310,204,000
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<u>Total change in resources for Estimate:</u>			1,373,251,000
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Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

DEL Reserve claims

A7	Capacity Programme	33,000,000	
B7	Effects of the implementation of IFRS on the Ministry of Justice	79,000	

Other changes in DEL spending

A7	Transfer of Capital Funding from MOJ to Office of Legal Complaints		-3,450,000
H7	Transfer of Capital funding from National Probation Service Local area Boards to MOJ	524,000	
A7	Transfer of Capital Funding from MOJ to Legal Service Commission Administration		-12,900,000
A7	Transfer of Capital Funding from MOJ to Parole Board		-47,000
A7	Transfer of Capital Funding from MOJ to Criminal Injuries compensation Authority		-500,000

Other changes

Resource transfers within the request for resources

A2 to B2	Witness Video Links	40,000	-40,000
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Introduction

Changes in non-operating appropriations in aid (fully offset by changes in spending)

H7 and H8	Increase in capital and non-operating appropriations in aid in relation to building disposal program	15,482,000	-15,482,000
A7 and A8	Increase in capital and non-operating appropriations in aid in relation to Supreme Court Building	35,600,000	-35,600,000
	<u>Totals</u>	84,725,000	-68,019,000

Total RfR 1	16,706,000
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Total changes in capital for Estimate:	16,706,000
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- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £547,319,000.
- Symbols are explained in the Introduction to this booklet.

Ministry of Justice

Part I

£

Request for Resources 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	934,220,000
Request for Resources 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	128,827,000
Request for Resources 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	310,204,000
Total additional net resource requirement	1,373,251,000
Additional net cash requirement	547,319,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Ministry of Justice 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; administration of the Office of the Information Commissioner and the Judicial Appointments Commission; Costs of running the Office for Judicial Complaints and the Judicial Appointments and Conduct Ombudsman; costs of running the offices of the Legal Services Ombudsman and the Legal Services Complaints Commissioner; costs of operating the Legal Services Board and the associated Levy; costs associated with the implementation of the Office of Legal Complaints. Costs associated with the implementation of the Independent Parliamentary Standards Authority

HM Courts Service, as formed under the Courts Act 2003 including responsibility for the Court of Protection as at 1 April 2009, and associated activities including fine income, netting off and asset recovery incentive scheme; receipts under the victims surcharge, pre-1990 loan charges debt payments, Justices Clerks' Societies; Proportionate Dispute Resolution project; Wider Markets Initiatives; Section 31 grants to Local Authorities; the Office of the Public Guardian. The establishment and operation of the Supreme Court as formed under the Constitutional Reform Act 2005.

Offices of Court Funds, Official Solicitor and Public Trustee; Legal Aid paid through the Criminal Defence Service and Community Legal Service; administration for the Legal Services Commission. Payment of Grant and grant in aid to organisations promoting Ministry of Justice objectives including NDPBs; administration of central government Tribunals via the Tribunals Service (including Asylum); costs paid from central funds; Costs of running Her Majesty's Inspectorate of Court Administration, The Administrative Justices and Tribunals Council, The Civil Justice Council and the Family Justice Council. Costs in relation to constitutional offices; Privy Council office; reimbursement of Lord Lieutenants' expenses; costs in relation to judicial training and the Judicial Offices for England & Wales.

Part I

Democracy and constitution, human rights workshops and surveys; promotion of information rights, electoral policy, boundaries and administration, including costs in relation to the policy on the conduct of all National and European elections and referenda in the UK and local elections, referenda in England & Wales (except certain referenda in Wales), payments in relation to the Electoral Administration Act 2006; establishment and maintenance of the Co-ordinated On-Line Record of Electors (CORE); funding of electoral pilot schemes; policy on the financing and regulation of political parties; citizen and youth engagement.

Parliamentary Boundary Commissions for England & Wales; research into constitution settlement/devolution, costs associated with the 'Governance of Britain' programme of constitutional renewal; conduct of MOJ's European and International business in the justice and home affairs field and the management of the UK's relationship with the Crown Dependencies. Contribution from the Treasury in respect of UK payments to the Hague Conference on Private International Law.

Judicial Exchange programmes; sponsorship of the British Institute of International and Comparative Law and bilateral training projects in China; constitutional education programmes within schools. Policy on coroner and cremation services; support to Local Authorities for additional coroner work, payments in relation to the royal inquest, applications for exhumations, cremated repatriated remains and the closing of burial grounds, other legal services; joint initiatives in the Criminal Justice System.

Criminal Policy and Programmes including offender management programmes and the National Probation Service, costs of running Her Majesty's Inspectorate of Prisons, costs of running Her Majesty's Inspectorate of Probation, funding for the Prisons & Probation Services Ombudsman. The Prevention and treatment of drug abuse; crime reduction and prevention; Criminal Injuries Compensation, Criminal Cases Review Commission, counter terrorism and intelligence.

Payments to local authorities in respect of local area agreements, secure accommodation placements, Prisons, Prison Service College, the Parole Board, Youth Justice Board, grants to 'Prisoners abroad', welfare to work schemes, payments to other government departments and 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; payments of a grant to the Scottish Consolidated Fund; and associated non-cash items.

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

Administration; Lord Lieutenants' expenditure; payments of a grant to the Welsh Consolidated Fund; and associated non-cash items.

The **Ministry of Justice** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all						
		931,321	-2,899	934,220		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Policy, Corporate Services & Associated Offices	488,742	34,380	-37,851	72,231	560,973
B	HM Courts Service	839,977	11,971	-	11,971	851,948
C	Office of the Public Guardian	844	858	-	858	1,702
E	Tribunals Service	293,783	134	-	134	293,917
F	Criminal Justice Reform	170,347	-21,501	-	-21,501	148,846
G	National Offender Management Service HQ	351,806	-200,973	14,331	-215,304	136,502
H	National Offender Management Service Operations	3,481,602	196,019	20,621	175,398	3,657,000
Non-Budget						
I	Legal Services Commission: Administration	122,200	17,400	-	17,400	139,600
J	Criminal Defence Service	1,199,532	600	-	600	1,200,132
K	Community Legal Service	888,570	56,300	-	56,300	944,870
N	Parole Board	9,800	47	-	47	9,847
O	National Probation Services (local area boards)	706,902	-524	-	-524	706,378
P	Youth Justice Board	455,670	-4,580	-	-4,580	451,090
Q	Criminal Injuries Compensation Authority	274,080	-19,054	-	-19,054	255,026

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
T Office of Legal Complaints	6,124	476	-	476	6,600
U Legal Services Board	3,488	568	-	568	4,056
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
V Supreme Court Revaluation Impairment AME	-	39,200	-	39,200	39,200
W HMCS Revaluation Impairment AME	-	220,000	-	220,000	220,000
X NOMS Revaluation Impairment AME	-	600,000	-	600,000	600,000
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government					
		129,227	400	128,827	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Scotland Office	4,203	524	-300	824	5,027
B Office of the Advocate General	2,921	779	700	79	3,000
C Boundary Commission for Scotland	300	325	-	325	625
Non-Budget					
D Grant payable to the Scottish Consolidated Fund	27,036,263	127,599	-	127,599	27,163,862

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 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						
		310,204	-	310,204		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Wales Office	7,483	346	-	346	7,829
Non-Budget						
B	Grant payable to the Welsh Consolidated Fund	12,814,889	309,858	-	309,858	13,124,747
Total for Estimate:			1,370,752	-2,499	1,373,251	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	848,764	67,788	916,552
Non-Operating A in A	15,900	51,082	66,982
Net cash requirement	49,423,651	547,319	49,970,970

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all									
466,938	7,283,943	3,739,869	11,490,750	1,146,793	10,343,957	915,686	66,982		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Policy, Corporate Services & Associated Offices								
	231,208	337,689	-	568,897	7,924	560,973	79,188	35,600	
B	HM Courts Service								
	17,633	1,510,521	-	1,528,154	676,206	851,948	179,240	15,900	
C	Office of the Public Guardian								
	-	20,818	-	20,818	19,116	1,702	1,500	-	
D	Costs from Central Funds								
	-	94,000	-	94,000	-	94,000	-	-	
E	Tribunals Service								
	22,006	321,530	-	343,536	49,619	293,917	19,002	-	
F	Criminal Justice Reform								
	45,258	114,088	-	159,346	10,500	148,846	16,310	-	
G	National Offender Management Service HQ								
	150,833	-	-	150,833	14,331	136,502	-	-	
H	National Offender Management Service Operations								
	-	4,026,097	-	4,026,097	369,097	3,657,000	620,446	15,482	
Non-Budget									
I	Legal Services Commission: Administration								
	-	-	139,600	139,600	-	139,600	-	-	
J	Criminal Defence Service								
	-	-	1,200,132	1,200,132	-	1,200,132	-	-	
K	Community Legal Service								
	-	-	944,870	944,870	-	944,870	-	-	
L	Information Commissioner's Office								
	-	-	5,500	5,500	-	5,500	-	-	
M	Judicial Appointments Commission								
	-	-	7,810	7,810	-	7,810	-	-	
N	Parole Board								
	-	-	9,847	9,847	-	9,847	-	-	
O	National Probation Services (local area boards)								
	-	-	706,378	706,378	-	706,378	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
P	Youth Justice Board	-	-	451,090	451,090	-	451,090	-	-
Q	Criminal Injuries Compensation Authority	-	-	255,026	255,026	-	255,026	-	-
R	Criminal Cases Review Commission	-	-	6,860	6,860	-	6,860	-	-
S	Loan charges	-	-	2,100	2,100	-	2,100	-	-
T	Office of Legal Complaints	-	-	6,600	6,600	-	6,600	-	-
U	Legal Services Board	-	-	4,056	4,056	-	4,056	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
V	Supreme Court Revaluation Impairment AME	-	39,200	-	39,200	-	39,200	-	-
W	HMCS Revaluation Impairment AME	-	220,000	-	220,000	-	220,000	-	-
X	NOMS Revaluation Impairment AME	-	600,000	-	600,000	-	600,000	-	-
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government									
	10,027	625	27,163,862	27,174,514	2,000	27,172,514	100		-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Scotland Office	5,227	-	-	5,227	200	5,027	100	-
B	Office of the Advocate General	4,800	-	-	4,800	1,800	3,000	-	-
C	Boundary Commission for Scotland	-	625	-	625	-	625	-	-
Non-Budget									
D	Grant payable to the Scottish Consolidated Fund	-	-	27,163,862	27,163,862	-	27,163,862	-	-

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	8
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								
7,778	60	13,124,747	13,132,585	9	13,132,576	766	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Wales Office							
7,778	60	-	7,838	9	7,829	766	-	-
Non-Budget								
B	Grant payable to the Welsh Consolidated Fund							
-	-	13,124,747	13,124,747	-	13,124,747	-	-	-
Total for Estimate:								
484,743	7,284,628	44,028,478	51,797,849	1,148,802	50,649,047	916,552	66,982	66,982

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	49,275,796	1,373,251	50,649,047
Voted capital items			
Capital	848,764	67,788	916,552
Less Non-operating A-in-A	15,900	51,082	66,982
Total net voted capital	832,864	16,706	849,570
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-336,932	3,075	-333,857
Depreciation	-412,523	-860,890	-1,273,413
New provisions and adjustments to previous provisions	-122,070	-18,100	-140,170
Profit/loss on sale of assets	-	11,000	11,000
Prior period adjustments	-	-	-
Other non-cash items	17	-823	-806
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-1,963	-	-1,963
Use of provisions	188,462	23,100	211,562
Total accruals to cash adjustments	-685,009	-842,638	-1,527,647
Excess cash to be CFERd	-	-	-
Net Cash Requirement	49,423,651	547,319	49,970,970

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	443,406
RfR 2	8,027
RfR 3	7,769
Total Net Administration Costs	459,202
Net Programme Costs	
RfR 1	9,900,551
RfR 2	27,164,487
RfR 3	13,124,807
Non-voted	238,450
Total Net Programme Costs	50,428,295
Total Net Operating Cost	50,887,497
<i>of which:</i>	
Net Resource Requirement	50,649,047
Non-voted Expenditure	238,450
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	10,336,664

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	50,649,047
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	238,450
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	50,887,497
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	11,000
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-40,290,709
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-296,124
Unallocated resource provision	-
Other adjustments	25,000
Resource Budget (Budget)	10,336,664
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,452,464
Annually Managed Expenditure (AME)	884,200

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	849,570
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	52,043
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	901,613
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	901,613
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Sir Suma Chakrabarti, Permanent Head of Department

Request for Resources 2: David Middleton, Head of Scotland Office

Request for Resources 3: Alan Cogbill, Head of Wales Office

Sir Suma Chakrabarti, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Suma Chakrabarti is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	23,532
<i>of which:</i>	
Sale of goods and services	23,532
Programme	1,123,261
<i>of which:</i>	
Sale of goods and services	1,123,261
Total RfR 1	1,146,793†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Civil court fees; receipts in relation to the victims surcharge, charges and receipts received. Receipts retained in relation to the costs of enforcement of fines. Fees charged by the Public Trustee, recoveries by the Official Solicitor fees charged by the Office of the Public Guardian and Court of Protection; recoveries from the Debt Management 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. Fees charged for Subject Access Requests under the Data Protection Act. Receipts relating to recovery of costs from the implementation of the Independent Parliamentary Standards Authority.

Recoveries from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund in relation to the Tribunals Appeals Service. Fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries. Fees from nursery facilities and other fees; receipts from rents and receipts of premia on assignment of leases; 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; Receipts in respect of judicial superannuation contributions and receipts from the Judicial Pensions supply estimate to fund administrative costs. Receipts from the European Commission; receipts from all Tribunals; receipts under the New Deal Scheme and receipts from Wider Markets Initiatives. Receipts from Royal Licences; recovery of costs relating to the Hunting Bill; receipts retained in accordance with the fine incentive scheme; receipts relating to the asset recovery incentive scheme.

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 the Scottish CICAP remitted to the Tribunals service, receipts in relation to Claims Management Regulation; receipts in relation to Scotland Office secondees; receipts in relation to Data Protection enquiries.

Receipts from government departments, sale of vehicles, plant, machinery, land and buildings, sale of equipment and scrap, tax rebates, recovery of staff costs for staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, postal and bank charge recoveries. Receipts in respect of the Crown Office Fees.

European Fast stream receipts from the Cabinet Office, subsidies under the welfare for work programmes. Contributions towards grant programmes and training services. Profit on the sales of Capital assets, compensation and insurance, contributions towards criminal justice systems initiatives, rebates and commission from service contracts. Payments from Health authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales, and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England.

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. Receipts in relation to Probation Boards and Trusts income. Agricultural subsidies from advertisements in the Prison Service News and from the sale of waste, receipts from the Youth Justice Board and income arising from Machinery of Governments changes.

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

Administration	2,000
<i>of which:</i>	
Sale of goods and services	2,000

Total RfR 2	2,000†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of rent, payments from other departments for legal services and other receipts.

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

Administration	9
<i>of which:</i>	
Sale of goods and services	9

Total RfR 3	9†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from rent for use of accommodation in Gwydyr House by the Welsh Assembly Government.

Total Operating A in A	1,148,802
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	66,982
<i>of which:</i>	
Sale of assets	66,982

Total RfR 1	66,982†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings and surplus equipment.

Total Non-Operating A in A	66,982
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	36,361	32,676	5,772,369	3,680,095	9,452,464
<i>of which: †</i>					
Administration budget	23,282	-	459,202	-	459,202
Near-cash in RDEL	18,823	50,754	4,883,323	3,885,532	8,768,855
Capital DEL ††	16,706	16,373	849,570	52,043	901,613
Less Depreciation †††	-1,690	872	-414,213	-9,804	-424,017
Total DEL	51,377	49,921	6,207,726	3,722,334	9,930,060

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,215,784

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Ministry of Justice has fully adopted IFRS since the last publication of our Main Supply Estimates, and these standards took effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1 - I	Legal Services Commission Administration♥	139,600
RfR1 - J	Criminal Defence Service ♥	1,200,132
RfR1 - K	Community Legal Service ♥	944,870
RfR1 - L	Information Commissioner ♥	5,500
RfR1 - M	Judicial Appointments Commission ♥	7,810
RfR1 - N	Parole Board ♥	9,847
RfR1 - O	National Probation Service Local Area Boards♥	706,378
RfR1 - P	Youth Justice Board ♥	451,090
RfR1 - Q	Criminal Injuries Compensation Authority ♥	255,026
RfR1 - R	Criminal Cases Review Commission ♥	6,860
RfR1 - T	Office of Legal Complaints ♥	6,600
RfR1 - U	Legal Services Board ♥	4,056

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
An Indemnity of up to £50m, in respect of any one accident, has been given to the British Airports Authority (BAA). This is in respect of damage or injury caused to third parties arising out of the negligence of HM Prison Service in their use of vehicles travelling airside for the repatriation of prisoners. The likelihood of a liability arising from these contingencies is considered to be remote.	50,000
The Ministry of Justice has indemnified the members of the central Council of Magistrates' Courts Committees to the tune of £0.56m against future legal action against them as individuals. Potential future exposure is actually expected to be limited to £0.03m (Minute laid on 27th June 2006)	560
The Prisons service would be liable to meet any uninsured costs incurred by the privately managed prisons	Unquantifiable
The National Probation Service has reported the Provision of Indemnity to members of the forty two local area Probation Boards to maintain the same status of indemnity that was provided by local authorities. The government has agreed that an individual board member should be indemnified against legal damages and costs arising from advice given, or actions done, honestly and in good faith in the execution of his or her board functions, except where the member has acted recklessly.(Minute of 6th June 2005)	Unquantifiable
Mubarek Inquiry team Indemnity in relation to any legal action taken against the chairman or members of the Independent Inquiry into the death of Zahid Mubarek at the Feltham Young Offenders Institution. (Minute 10th March 2006)	Unquantifiable

United Kingdom Supreme Court

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	i) Transfer of non-cash to Ministry of Justice		-1,000,000
A2	ii) Transfer of near cash from Ministry of Justice	470,000	
<u>Other changes in DEL spending</u>			
A2	Effects of the implementation of IFRS. Transfer of Middlesex Guildhall from MoJ resulting in loss on acquisition of asset.	11,000,000	
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
A2	Reallocation of resources from non-voted spending relating to judicial salaries.	530,000	
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2 & A5	Increase in resource and operating A-in-A as a result of increased fee income	300,000	-300,000
<u>Totals</u>		12,300,000	-1,300,000
Total RfR 1			11,000,000
Total change in resources for Estimate:			11,000,000

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

United Kingdom Supreme Court

Part I

	£
Request for Resources 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	11,000,000
Total additional net resource requirement	11,000,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the United Kingdom Supreme Court on:

RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.

Operation of the UK Supreme Court, Judicial Committee of the Privy Council and Judicial Exchange programme; education and outreach activity on the United Kingdom Supreme Court, The Judicial Committee of the Privy Council and the United Kingdom's legal and constitutional systems. Cost of running Selection Commissions for the appointment of Justices and maintenance of links with Other Supreme Courts.

The **United Kingdom Supreme Court** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.					
		11,300	300	11,000	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A United Kingdom Supreme Court	2,040	11,300	300	11,000	13,040
Total for Estimate:		11,300	300	11,000	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	2,350	-	2,350

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.									
-	16,550	-	16,550	3,510	13,040	-	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	United Kingdom Supreme Court								
-	16,550	-	16,550	3,510	13,040	-	-		
Total for Estimate:									
-	16,550	-	16,550	3,510	13,040	-	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2,040	11,000	13,040
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-535	453	-82
Depreciation	-1,101	570	-531
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on acquisition or sale of assets	-	-11,000	-11,000
Prior period adjustments	-	-	-
Other non-cash items	-17	-23	-40
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	1,963	-1,000	963
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	310	-11,000	-10,690
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,350	-	2,350

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	13,040
Non-voted	1,320
Total Net Programme Costs	14,360
Total Net Operating Cost	14,360
<i>of which:</i>	
Net Resource Requirement	13,040
Non-voted Expenditure	1,320
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	3,360

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	13,040
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	1,320
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	14,360
<i>Adjustments to remove:</i>	
Gains / losses from acquisition or sale of capital assets	-11,000
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	3,360
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,360
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Jenny Rowe - Chief Executive of the United Kingdom Supreme Court

Jenny Rowe, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Jenny Rowe is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	
Programme	3,510
<i>of which:</i>	
Sale of goods and services	3,510
Total RfR 1	3,510†
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: United Kingdom Supreme Court fees and a contribution from civil court fees charged by HM Courts Service.	
<i>Contributions from the devolved government in Scotland; from the Northern Ireland Court Service and from the Ministry of Justice to cover the support provided to the Judicial Committee of the Privy Council.</i>	
<i>Receipts of VAT refunds on contracted out services; and receipts from Wider Market Initiatives.</i>	
<i>Receipts in relation to data protection inquiries; recovery of staff costs for staff on loan or seconded to outside bodies, payments for information and publications, private telephone calls, vending machines, telex, postal and bank charge recoveries, receipts from shop sales, income arising from Machinery of Government changes and any other miscellaneous income.</i>	
Total Operating A in A	3,510

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000				
	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	-	-530	2,040	1,320	3,360
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	1,000	-530	1,387	1,320	2,707
Capital DEL ††	-	-	-	-	-
Less Depreciation †††	570	-	-531	-	-531
Total DEL	570	-530	1,509	1,320	2,829

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	3,510

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Supreme Court has fully adopted IFRS since the last publication of our Main Supply Estimates, and these standards took effect from 1 April 2009.

Northern Ireland Court Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>DEL Reserve claims</u>			
B3	To cover the projected shortfall in legal aid expenditure by Northern Ireland Legal Services Commission.	17,000,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2 and A5	Increased income of £2,000,000 to reflect increase in civil fee business income. This will be offset against additional costs to dispose civil fee business. The appropriations-in-aid are classified as administrative income and thus the additional fee income will reduce the administrative cost limit by £2,000,000.	2,000,000	-2,000,000
<u>Totals</u>		19,000,000	-2,000,000
Total RfR 1		17,000,000	
Total change in resources for Estimate:		17,000,000	

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £17,000,000.
3. Symbols are explained in the Introduction to this booklet.

Northern Ireland Court Service

Part I

	£
Request for Resources 1: Supporting the effective and efficient administration of justice in Northern Ireland †	17,000,000
Total additional net resource requirement	17,000,000
Additional net cash requirement	17,000,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Northern Ireland Court Service on:

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

Operation of the courts; Pensions Appeal Tribunal; Office of the Social Security and Child Support Commissioners; the Traffic Penalty Tribunal; the Northern Ireland Valuation Tribunal; Criminal Injuries Compensation Appeals Panel Northern Ireland; policy and legislation; accommodation services; grants to sundry bodies and associated non-cash items; grant of funding for the provision of publicly funded legal services; grant in aid to support the administration of the Northern Ireland Legal Services Commission; grant in aid to support the administration of the Northern Ireland Judicial Appointments Commission; Tribunal Reform; and associated non-cash costs.

The **Northern Ireland Court Service** will account for this Estimate.

† £17,000,000 has been advanced from the Contingencies Fund to provide cash in respect of £17,000,000 resources supporting the service provided for under subhead B3 of this Estimate. A corresponding cash amount is required to enable repayment to be made to the Fund.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland					
		19,000	2,000	17,000	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Court and other legal services	58,391	2,000	2,000	-	58,391
Non-Budget					
B Legal Services Commission	84,500	17,000	-	17,000	101,500
Total for Estimate:		19,000	2,000	17,000	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	6,000	-	6,000
Non-Operating A in A	-	-	-
Net cash requirement	132,551	17,000	149,551

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland									
26,426	58,965	103,100	188,491	27,000	161,491	6,000	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Court and other legal services								
26,426	58,965	-	85,391	27,000	58,391	6,000	-		
Non-Budget									
B	Legal Services Commission								
-	-	101,500	101,500	-	101,500	-	-		
C	Judicial Appointments Commission								
-	-	1,600	1,600	-	1,600	-	-		
Total for Estimate:									
26,426	58,965	103,100	188,491	27,000	161,491	6,000	-		

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	144,491	17,000	161,491
Voted capital items			
Capital	6,000	-	6,000
Less Non-operating A-in-A	-	-	-
Total net voted capital	6,000	-	6,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-6,984	-	-6,984
Depreciation	-10,694	-	-10,694
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-262	-	-262
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-17,940	-	-17,940
Excess cash to be CFERd	-	-	-
Net Cash Requirement	132,551	17,000	149,551

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	-574
Total Net Administration Costs	<u>-574</u>
Net Programme Costs	
RfR 1	162,065
Non-voted	7,700
Total Net Programme Costs	<u>169,765</u>
Total Net Operating Cost	169,191
<i>of which:</i>	
Net Resource Requirement	161,491
Non-voted Expenditure	7,700
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	169,691

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	161,491
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	7,700
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	169,191
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	500
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	169,691
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	169,691
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	6,000
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	6,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: David A Lavery, Director of the NICS

David A Lavery, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. David A Lavery is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	
Administration	27,000
<i>of which:</i>	
Sale of goods and services	27,000
Total RfR 1	27,000[†]
<i>† Amount that may be applied as operating 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.</i>	
Total Operating A in A	27,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	17,000	58,391	111,300	169,691
<i>of which: †</i>					
Administration budget	-2,000	-	-574	-	-574
Near-cash in RDEL	-	17,000	40,451	110,800	151,251
Capital DEL ††	-	-	6,000	-	6,000
Less Depreciation †††	-	-	-10,694	-441	-11,135
Total DEL	-	17,000	53,697	110,859	164,556

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	27,000

The National Archives

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2, A5	An increase in operating income (subhead A5) generated by licensing as well as service sales to other government departments. This is offset by an increase in other current spending (subhead A2).	4,695,000	-4,694,000
<u>Totals</u>		4,695,000	-4,694,000
Total RfR 1			1,000
Total change in resources for Estimate:			1,000

Introduction

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Other changes in DEL spending

A2 to A7 Increase in capital spend in line with internal forecasts following implementation of a restructure programme. Offset in budgetary terms by a reduction in resource DEL.	2,136,000	
<u>Totals</u>	2,136,000	-
<u>Total RfR 1</u>		2,136,000
<u>Total changes in capital for Estimate:</u>		2,136,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £151,000.
3. Symbols are explained in the Introduction to this booklet.

The National Archives

Part I

	£
Request for Resources 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	151,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by The National Archives on:

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

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

The National Archives will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government					
		4,695	4,694	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A The National Archives	48,730	4,695	4,694	1	48,731
Total for Estimate:		4,695	4,694	1	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	2,100	2,136	4,236
Non-Operating A in A	-	-	-
Net cash requirement	39,079	151	39,230

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	8
<p>RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government</p>								
-	58,630	-	58,630	9,899	48,731	4,236	-	-
<p>Spending in Departmental Expenditure Limits (DEL)</p>								
<p><i>Central Government spending</i></p>								
A	The National Archives							
-	58,630	-	58,630	9,899	48,731	4,236	-	-
Total for Estimate:								
-	58,630	-	58,630	9,899	48,731	4,236	-	-

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	48,730	1	48,731
Voted capital items			
Capital	2,100	2,136	4,236
Less Non-operating A-in-A	-	-	-
Total net voted capital	2,100	2,136	4,236
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-5,012	505	-4,507
Depreciation	-6,679	-	-6,679
New provisions and adjustments to previous provisions	-	-500	-500
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-5	-65
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-2,136	-2,136
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	150	150
Total accruals to cash adjustments	-11,751	-1,986	-13,737
Excess cash to be CFERd	-	-	-
Net Cash Requirement	39,079	151	39,230

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	46,595
Non-voted	-
Total Net Programme Costs	<u>46,595</u>
Total Net Operating Cost	46,595
<i>of which:</i>	
Net Resource Requirement	48,731
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-2,136
Resource Budget	46,595

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	48,731
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-2,136
Other adjustments	-
Net Operating Cost (Accounts)	46,595
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	46,595
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	46,595
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	4,236
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	4,236
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,236
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Natalie Ceeney, Permanent Head of The National Archives.

Natalie Ceeney, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Natalie Ceeney is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
<p>RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government</p>	
Programme	9,899
<i>of which:</i>	
Sale of goods and services	9,899
Total RfR 1	9,899†
<p><i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: charges for the sale of copies of documents; sale of publications and other items and services; professional fees; fees receivable from service providers; sale of fixed assets; grants received to carry out specific projects; reproduction fees and royalties for the publication of images; Crown copyright fees and royalties; fees for the management of third parties' copyright; fee for the management of the Office of the Queen's Printer for Scotland; income from contractual arrangements for official publishing and partnerships to make historical records electronically accessible; and sales and recovery of costs for goods/services provided to other government departments, public bodies and the general public.</i></p>	
Total Operating A in A	9,899

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	-2,135	-	46,595	-	46,595
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	-2,135	150	34,844	150	34,994
Capital DEL ††	2,136	-	4,236	-	4,236
Less Depreciation †††	-	-	-6,679	-	-6,679
Total DEL	1	-	44,152	-	44,152

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	9,899

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Crown Prosecution Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
B2	To increase the spending on the prosecution of criminal cases	5,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
B2	Transfer in programme spending from the Ministry of Justice to help fund the prosecution of the Corporate Manslaughter Act 2007	500,000	
B2	Transfer in programme spending to the Department for Business, Innovation and Skills to contribute towards the implementation of the Skills Strategy		-25,000
<u>Other changes in DEL spending</u>			
B2	Movement from voted to non-voted spending of unitary charges relating to PFI contracts newly categorised as assets following the adoption of International Financial Reporting Standards		-6,419,000
<u>Other changes</u>			
<u>Increases in non-budget spending</u>			
C2	Non-budget resource implications resulting from the introduction of International Financial Reporting Standards of £7,110,000 consisting of:		
	(i) Interest charges, service charges and non-cash depreciation charges relating to PFI contracts newly categorised as assets	6,419,000	

Introduction

(ii) non-cash cost of capital charges relating to PFI contracts newly categorised as assets	691,000	
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Changes in operating appropriations in aid (fully offset by changes in spending)

A1 and A5	Arising from income in respect of letting, disposal, vacation or occupation of property or accommodation	1,700,000	-1,700,000
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<u>Totals</u>		14,310,000	-8,144,000
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Total RfR 1			6,166,000
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Total change in resources for Estimate:			6,166,000
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Changes in capital

<u>Section</u>	<u>Reason for Change</u>
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RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.

Changes related to movements in budgets

Take up of DEL End-Year flexibility

To meet the upfront costs of the relocation of CPS Headquarters	1,500,000	
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<u>Totals</u>	1,500,000	-
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Total RfR 1			1,500,000
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Total changes in capital for Estimate:			1,500,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £6,975,000.
-
- Symbols are explained in the Introduction to this booklet.

Crown Prosecution Service

Part I

	£
Request for Resources 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	6,166,000
Total additional net resource requirement	6,166,000
Additional net cash requirement	6,975,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Crown Prosecution Service on:

RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.

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	
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.						
		7,866	1,700	6,166		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Administration costs on HQ and Central Services	54,993	1,700	1,700	-	54,993
B	Crown Prosecutions and Legal Services	622,300	-944	-	-944	621,356
Non-Budget						
C	IFRS Adjustments*	5,697	7,110	-	7,110	12,807
Total for Estimate:			7,866	1,700	6,166	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	5,200	1,500	6,700
Non-Operating A in A	-	-	-
Net cash requirement	680,796	6,975	687,771

* This increase in non-budget spending due to the adoption of IFRS is offset by reductions in Departmental Expenditure Limit (DEL) spending contained in other parts of the Estimate. The offsetting reductions may not be visible in this table, but further information is included in the Introduction to the Estimate.

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	8
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.								
58,393	695,563	-	753,956	64,800	689,156	6,700	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration costs on HQ and Central Services							
58,393	-	-	58,393	3,400	54,993	-	-	-
B	Crown Prosecutions and Legal Services							
-	682,756	-	682,756	61,400	621,356	6,700	-	-
Non-Budget								
C	IFRS Adjustments							
-	12,807	-	12,807	-	12,807	-	-	-
Total for Estimate:								
58,393	695,563	-	753,956	64,800	689,156	6,700	-	-

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	682,990	6,166	689,156
Voted capital items			
Capital	5,200	1,500	6,700
Less Non-operating A-in-A	-	-	-
Total net voted capital	5,200	1,500	6,700
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,773	-691	-3,464
Depreciation	-9,516	-2,191	-11,707
New provisions and adjustments to previous provisions	-745	-	-745
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-102	-	-102
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	4,069	2,191	6,260
Use of provisions	1,673	-	1,673
Total accruals to cash adjustments	-7,394	-691	-8,085
Excess cash to be CFERd	-	-	-
Net Cash Requirement	680,796	6,975	687,771

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	54,993
Total Net Administration Costs	54,993
Net Programme Costs	
RfR 1	634,163
Non-voted	-
Total Net Programme Costs	634,163
Total Net Operating Cost	689,156
<i>of which:</i>	
Net Resource Requirement	689,156
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	688,666

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	689,156
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	689,156
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-12,807
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	853
Other adjustments	11,464
Resource Budget (Budget)	688,666
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	688,666
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	6,700
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	6,700
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,700
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Keir Starmer QC, Permanent Head of Department

Keir Starmer QC, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Keir Starmer QC is also responsible for the use of public money and stewardship of assets.

With the agreement of the HM Treasury, the Permanent Head of Department appoints the Chief Executive as Additional Accounting Officer. Peter Lewis, Chief Executive, holds the appointment of Additional Accounting Officer for Resources within this Estimate.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRoM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	
Administration	3,400
<i>of which:</i>	
Sale of goods and services	3,400
Programme	61,400
<i>of which:</i>	
Sale of goods and services	61,400
Total RfR 1	64,800†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income in respect of letting, disposal, vacation or occupation of property or accommodation; shared services; recoveries in respect of the Recovered Assets Incentivisation Fund; receipts in respect of Victim Surcharge collections; receipts from the European Commission; costs awarded to CPS in court; income from Local Criminal Justice Boards; refund of costs for seconded staff; funding from the Access to Work Scheme and the New Deal programmes; receipts for Prosecution College Licences; and recoveries of costs from other government departments for joint working arrangements.</i>	
Total Operating A in A	64,800

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-944	1,419	676,349	12,317	688,666
<i>of which: †</i>					
Administration budget	-	-	54,993	-	54,993
Near-cash in RDEL	-944	1,419	667,934	13,990	681,924
Capital DEL ††	1,500	-	6,700	-	6,700
Less Depreciation †††	-	-	-5,056	-	-5,056
Total DEL	556	1,419	677,993	12,317	690,310

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	64,800

Notes to the Estimate (*continued*)

Changes in Accounting Policies

This Supplementary Estimate reflects the full adoption of International Financial Reporting Standards with effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Serious Fraud Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>DEL Reserve claims</u>			
A2	Drawdown for Oil for Food blockbuster case	4,952,000	
A2	To cover costs of SFO modernisation programme	1,138,000	
B2	To support NFA operational programme	500,000	
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
B2	To cover increased NFA capital costs		-249,000
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2 & A5	To cover increased incentivisation and cost awards	3,350,000	-3,350,000
B2 & B5	To cover implementation of National Fraud Reporting Centre	1,415,000	-1,415,000
<u>Totals</u>		11,355,000	-5,014,000
Total RfR 1		6,341,000	
Total change in resources for Estimate:		6,341,000	

Introduction

Changes in capital

Section Reason for Change

RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law

Other changes

Transfers from resources to capital

B2	To cover increased NFA capital costs	249,000	
	<u>Totals</u>	249,000	-

Total RfR 1	249,000
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Total changes in capital for Estimate:	249,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £6,590,000.
- Symbols are explained in the Introduction to this booklet.

Serious Fraud Office

Part I

	£
Request for Resources 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	6,341,000
Total additional net resource requirement	6,341,000
Additional net cash requirement	6,590,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Serious Fraud Office on:

RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law

Administration, investigation, prosecution and associated non-cash items.

The **Serious Fraud Office** will account for this Estimate.

Part II: Changes proposed

Resources

£'000						
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law						
		11,106	4,765	6,341		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Investigations and prosecutions	35,132	9,440	3,350	6,090	41,222
B	National Fraud Authority	3,800	1,666	1,415	251	4,051
Total for Estimate:		11,106	4,765	6,341		

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	3,530	249	3,779
Non-Operating A in A	-	-	-
Net cash requirement	40,788	6,590	47,378

Part II: Revised subhead detail including additional provision

							£'000		
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law									
-	50,088	-	50,088	4,815	45,273	3,779	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Investigations and prosecutions								
-	44,622	-	44,622	3,400	41,222	3,500	-		
B	National Fraud Authority								
-	5,466	-	5,466	1,415	4,051	279	-		
Total for Estimate:									
-	50,088	-	50,088	4,815	45,273	3,779	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	38,932	6,341	45,273
Voted capital items			
Capital	3,530	249	3,779
Less Non-operating A-in-A	-	-	-
Total net voted capital	3,530	249	3,779
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-79	-	-79
Depreciation	-1,530	-	-1,530
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-	-65
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,674	-	-1,674
Excess cash to be CFERd	-	-	-
Net Cash Requirement	40,788	6,590	47,378

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	45,273
Non-voted	-
Total Net Programme Costs	<u>45,273</u>
Total Net Operating Cost	45,273
<i>of which:</i>	
Net Resource Requirement	45,273
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	45,273

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	45,273
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	45,273
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	45,273
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	45,273
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	3,779
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	3,779
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,779
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Richard Alderman, Director of the Serious Fraud Office

Richard Alderman, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Richard Alderman is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	
Programme	4,815
<i>of which:</i>	
Sale of goods and services	4,815
Total RfR 1	4,815†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income arising from costs awarded to the SFO in court; and the Recovered Assets Incentivisation Fund.</i>	
Total Operating A in A	4,815

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000				
	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	6,341	-	45,273	-	45,273
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	6,341	-	43,599	-	43,599
Capital DEL ††	249	-	3,779	-	3,779
Less Depreciation †††	-	-	-1,530	-	-1,530
Total DEL	6,590	-	47,522	-	47,522

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	4,815

HM Procurator General and Treasury Solicitor

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
B1	To meet the cost of the Attorney General's Office and to support the transformation of the Attorney General's Departments	775,000	
<u>Other changes in DEL spending</u>			
A1	To meet the increased charge to lease costs following the requirement to restate under IFRS accounting rules	300,000	
B1	To meet the increased charge to lease costs following the requirement to restate under IFRS accounting rules	6,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A1,A5	To cover the increased fee and disbursement income from clients because of increased volume of legal and related services activity	12,370,000	-12,370,000
<u>Totals</u>		13,451,000	-12,370,000
Total RfR 1		1,081,000	
Total change in resources for Estimate:		1,081,000	

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £3,081,000.
3. Symbols are explained in the Introduction to this booklet.

HM Procurator General and Treasury Solicitor

Part I

	£
Request for Resources 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	1,081,000
Total additional net resource requirement	1,081,000
Additional net cash requirement	3,081,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the HM Procurator General and Treasury Solicitor on:

RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies

Expenditure by the HM Procurator General and Treasury Solicitor's Department comprising the Treasury Solicitor's Department Agency, the Attorney General's Office and HM Crown Prosecution Service Inspectorate on 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 **HM Procurator General and 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
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies					13,451	12,370	1,081		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	TSD Administration	5,201	12,670	12,370	300	5,501			
B	AGO Administration	4,649	781	-	781	5,430			
Total for Estimate:					13,451	12,370	1,081		

Capital and Cash

				£'000		
				Present Provision	Changes in Provision	New Provision
Total Capital Expenditure				4,000	-	4,000
Non-Operating A in A				-	-	-
Net cash requirement				15,346	3,081	18,427

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies									
119,711	-	-	119,711	105,000	14,711	4,000	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	TSD Administration								
	110,501	-	-	110,501	105,000	5,501	3,900	-	
B	AGO Administration								
	5,430	-	-	5,430	-	5,430	100	-	
C	CPSI Administration								
	3,780	-	-	3,780	-	3,780	-	-	
Total for Estimate:									
	119,711	-	-	119,711	105,000	14,711	4,000	-	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	13,630	1,081	14,711
Voted capital items			
Capital	4,000	-	4,000
Less Non-operating A-in-A	-	-	-
Total net voted capital	4,000	-	4,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-353	-	-353
Depreciation	-1,931	-	-1,931
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	2,000	2,000
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,284	2,000	-284
Excess cash to be CFERd	-	-	-
Net Cash Requirement	15,346	3,081	18,427

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	14,711
Total Net Administration Costs	<u>14,711</u>
Total Net Operating Cost	14,711
<i>of which:</i>	
Net Resource Requirement	14,711
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	14,711

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	14,711
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	14,711
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	14,711
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	14,711
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	4,000
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	4,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Paul Jenkins QC

Paul Jenkins QC, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Paul Jenkins QC is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	
Administration	105,000
of which:	
Sale of goods and services	105,000
Total RfR 1	105,000†
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recovery of costs from other government departments including costs recovered through legal and administrative services provided and receipts from secondment of staff, favourable costs awards made by the courts in favour of the Attorney General, charges for Bona Vacantia work, recovery of costs for tenants in jointly occupied buildings, utilisation of provisions, income in relation to GLS operations, subscription charges, photocopying charges, European fast streamers, receipts from sale of fixed assets and non capital items, rent and rate rebates, recovery of old debts and receipts from staff.</p>	
Total Operating A in A	105,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	£'000				
	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	1,081	-	14,711	-	14,711
<i>of which: †</i>					
Administration budget	1,081	-	14,711	-	14,711
Near-cash in RDEL	1,081	-	12,427	-	12,427
Capital DEL ††	-	-	4,000	-	4,000
Less Depreciation †††	-	-	-1,931	-	-1,931
Total DEL	1,081	-	16,780	-	16,780

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	105,000

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The HM Procurator General and Treasury Solicitor has fully adopted IFRS since the last publication of our Main Supply Estimates, and these standards took effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Ministry of Defence

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Provision of defence capability

Section Reason for Change

Changes related to movements in budgets

<u>DEL Reserve Claims</u>		
F2	1. Additional near cash relief agreed with Treasury (Sub Head DE & S TLB)	100,000,000
<u>Transfers of budgetary cover to/from other government departments</u>		
A2	1. A resource transfer from the Cabinet Office being their contribution to Security costs (Sub Head: Central TLB)	6,000,000
B2	2. A resource transfer from the Foreign & Commonwealth Office being their contribution to the Counter Narcotics Ground Force (Sub Head: Land Forces TLB)	6,695,000
M2	3. A resource transfer from the Cabinet Office being their contribution to the Parliamentary Counsel costs (Sub Head: MOD Administration Costs)	211,000
D2	4. A resource transfer from the Foreign and Commonwealth Office being their contribution to the Information Assurance Technical Programme (Sub Head: Central TLB)	1,002,000
B2	5. A resource transfer from the Foreign and Commonwealth Office being a further contribution to the Counter Narcotics Ground Force (Sub Head: Land Forces TLB)	1,965,000
<u>Other changes in DEL spending</u>		
D2	1. To re-allocate the net resource impact of the introduction of IFRS trigger point 3 for employee benefits (IAS 19) from AME to Resource DEL, reflecting the revised control framework for this item. The resource request was originally requested in Winter Supplementary Estimates (Sub Head: Central TLB).	35,000,000

Introduction

F2	2. To reflect the revised resource impact of disclosing 3 PFI contracts as finance leases under IAS17 (Sub Head: DE & S TLB)		-21,000,000
E2	3. To reflect the revised resource impact of the WSE impact of recording Annington Homes under IAS17 (Sub Head: Defence Estates TLB)	18,000,000	
F2	4. To reflect the resource (non cash) impact of implementing IFRS 17 on 3 PFI off balance sheet contracts now re-assessed as Finance Leases (Sub Head: DE & S TLB).	26,000,000	
E2,F2, B2,L2, D2	5. To reflect the IFRS reduced near cash service charge impact of disclosing IFRIC 12 PFI assets on MoD's balance sheet (Sub Head: Defence Estates, DE & S, Land, Air and Central TLBs)		-178,000,000
F2,A2, B2,L2, C2,D2, E2	6. To reflect the latest DEL TLB Cash release of provisions forecast (DE & S, Navy Command, Land Forces, Air Command, CJO, Central, & Defence Estates TLBs)		-17,324,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
N2	1. To re-allocate the net resource impact of the introduction of IFRS trigger point 3 for employee benefits (IAS 19) from AME to Resource DEL, reflecting the revised control framework for this item. The resource request was originally requested in Winter Supplementary Estimates (Sub Head: Central TLB)		-35,000,000
O2	2. To recognise the IFRS impact on capitalised nuclear provisions (Sub Head: DE & S TLB)	5,000,000	
P2	3. To recognise the IFRS impact on Annington Homes of modified historical cost accounting (Sub Head: Defence Estates TLB)	711,000,000	
P2	4. Defence Estates impairments resulting from the Quinquennial Review (QQR) on Defence land and buildings (Sub Head: Defence Estates TLB)	400,000,000	
O2	5. To reflect the latest Cash release of provisions forecast (DE & S TLB)	17,324,000	

Other changes

Resource transfers within the Request for Resources

A2, B2, D2,Q3, S2,R2	1. To increase non Budget funding from within Resource DEL to reflect the latest TLB forecast of outturn (Sub Heads: Navy Command, Land Forces and Central TLBs)	10,991,000	-10,991,000
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Introduction

2. To increase Grants in Aid Funding for:

D2, R3	The Reserve Forces & Cadets Association (RCFA) (Sub Head: Central TLB)	4,199,000	-4,199,000
D2, R3	The Reserve Forces & Cadets Association (RCFA) (Sub Head: Central TLB)	4,943,000	-4,943,000
A2, Q3	The Marine and Cadets Association Funding (Sub Head: Navy Command TLB)	210,000	-210,000

A,B,C, To revise sub-head provisions to reflect revisions in
D,E,F, allocations between Top Level Budget Holders to match
G,L) required defence outputs with no overall impact on RDEL
(Sub heads: A,B,C, D,E, F,G, L).

Increases in non-budget spending

T2, X2	1. To reflect the non cash resource DEL impact of IFRIC 12 PFI project disclosure on balance sheet (Sub Head: DE & S and Defence Estates TLBs)	330,000,000	
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Totals

1,678,540,000 -271,667,000

Total RfR 1

1,406,873,000

RfR 2: Operations and Peace-Keeping

Section Reason for Change

Changes related to movements in budgets

	<u>DEL Reserve claims</u>		
B2	To request a net increase in Resource DEL (Non Cash) to reflect the latest forecast cost of operations in Iraq and Afghanistan (Sub Head: Peace Keeping Rest of the World).	13,430,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
A2	To reflect a resource budgetary transfer in from the Department for International Development (DFID) being their contribution to the Global pool (Sub Head: Programme Rest of the World)	1,832,000	

Introduction

Other changes

Changes in operating appropriations in aid (fully offset by changes in spending)

A5	Changes in A-in-A offset by changes in costs to reflect the latest forecast of outturn (Sub Head: Peace Keeping Rest of the World)	61,509,000	-61,509,000
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Totals

76,771,000 -61,509,000

Total RfR 2

15,262,000

Total change in resources for Estimate:

1,422,135,000

Changes in capital

Section Reason for Change

RfR 1: Provision of defence capability

Changes related to movements in budgets

DEL Reserve claims

E7	1. To reflect further Treasury Fiscal Capital relief for lower capital receipts in Northern Ireland than planned (Sub Head: Defence Estates TLB)	5,000,000	
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Other changes in DEL spending

F7	1. To reflect the capital impact of implementing IFRS 17 on 3 PFI off balance sheet contracts now re-assessed as Finance Leases (Sub Head: DE &S TLB).	13,000,000	
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Totals

18,000,000 -

Total RfR 1

18,000,000

Section Reason for Change

Introduction

RfR 2: Operations and Peace-Keeping

Changes related to movements in budgets

	<u>DEL Reserve claims</u>		
B7	To request a net increase in Capital DEL to reflect the latest forecast cost of operations in Iraq and Afghanistan (Sub Head: Peace keeping Rest of the World).	160,695,000	
	<u>Totals</u>	160,695,000	-
<u>Total RfR 2</u>			160,695,000
<u>Total changes in capital for Estimate:</u>			178,695,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £935,052,000.
3. Symbols are explained in the Introduction to this booklet.

Ministry of Defence

Part I

	£
Request for Resources 1: Provision of defence capability	1,406,873,000
Request for Resources 2: Operations and Peace-Keeping	15,262,000
Total additional net resource requirement	1,422,135,000
Additional net cash requirement	935,052,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Ministry of Defence on:

RfR 1: Provision of defence capability

Personnel costs of the Armed Forces and their reserves and cadet forces and personnel costs of Defence Ministers and of civilian staff employed by the Ministry of Defence; movements; charter of ships; logistic services for the Armed Forces; repair, maintenance, stores and supply services; associated capital facilities and works; contractors' redundancy cost; plant and machinery; nuclear warhead and fissile material programme; procurement, including development and production of equipment and weapon systems for the Armed Forces; purchases for sale abroad; research etc by contract; sundry procurement services including those on repayment terms;

land and buildings works services; contingent liabilities; services provided by other Government departments; sundry services, subscriptions, grants and other payments including those abroad such as assistance to Foreign and Commonwealth Governments for defence related purposes and UK youth community projects; set-up costs and loans to, and income from, Trading Funds; and other associated non-cash items.

RfR 2: Operations and Peace-Keeping

The net additional costs for current operations (near cash resource, non-cash resource and capital) in Iraq and Afghanistan. The net additional (programme) costs for early warning, crisis management, conflict resolution/peace-making, peace-keeping and peace-building activities in other parts of the World. The net additional costs of associated strengthening of international regional systems; capacity-building; and stabilisation activity in Iraq and Afghanistan.

RfR 3: War Pensions and Allowances, etc

Pensions and other payments/allowances for disablement or death arising out of war or service in the Armed Forces after 2 September 1939, awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern Prisoners of War) or their surviving spouse and pensions and other payments in respect of service in the Armed Forces at other times; and other associated non-cash items.

The **Ministry of Defence** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Provision of defence capability		1,361,081	-45,792	1,406,873	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Navy Command	2,221,322	-4,330	-3,886	-444	2,220,878
B Land Forces	6,977,224	-14,678	21,814	-36,492	6,940,732
C Chief of Joint Operations	480,407	-51,432	10,030	-61,462	418,945
D Central	1,786,717	29,271	-96,709	125,980	1,912,697
E Defence Estates	2,935,295	-56,790	48,456	-105,246	2,830,049
F Defence Equipment and Support	15,899,308	24,467	-	24,467	15,923,775
G Science Innovation Technology	462,197	7,320	85	7,235	469,432
L Air Command	2,821,940	-21,625	-25,582	3,957	2,825,897
M Ministry of Defence Administration Costs	2,237,737	211	-	211	2,237,948
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
N Central	35,001	286,872	-	286,872	321,873
O Defence Equipment and Support	682,544	-476,961	-	-476,961	205,583
P Defence Estates AME	145,710	1,285,290	-	1,285,290	1,431,000

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
Non-Budget						
Q	Navy Command	11,889	1,020	-	1,020	12,909
R	Central	37,288	13,853	-	13,853	51,141
S	Land Forces	83,744	5,507	-	5,507	89,251
T	Defence Estates	31,443	119,210	-	119,210	150,653
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
V	Navy Command	-	2,349	-	2,349	2,349
W	Air Command AME	-	774	-	774	774
Non-Budget						
X	Defence Equipment and Support *	-	210,753	-	210,753	210,753
RfR 2: Operations and Peace-Keeping						
			76,771	61,509	15,262	
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Programme Rest of the World	65,001	1,832	-	1,832	66,833
B	Peace Keeping Rest Of The World	2,807,089	74,939	61,509	13,430	2,820,519
Total for Estimate:			1,437,852	15,717	1,422,135	

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
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Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	9,412,917	178,695	9,591,612
Non-Operating A in A	305,150	-	305,150
Net cash requirement	37,784,665	935,052	38,719,717

* The increases in non-budget spending due to the adoption of IFRS is offset by reductions in Departmental Expenditure Limits (DEL) spending contained in other parts of the Estimate. The offsetting reductions may not be visible in this table, but further information is included in the Introduction to the Estimate.

Part II: Revised subhead detail including additional provision

£'000									
Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating	
1	2	3	4	5	6		7	A in A	8
RfR 1: Provision of defence capability									
	2,237,948	36,921,284	332,458	39,491,690	1,226,502	38,265,188	7,866,277	305,150	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Navy Command	-	2,260,555	7	2,260,562	39,684	2,220,878	16,294	-
B	Land Forces	-	7,079,083	3,525	7,082,608	141,876	6,940,732	243,239	46
C	Chief of Joint Operations	-	454,742	16	454,758	35,813	418,945	93,631	-
D	Central	-	1,941,429	130,927	2,072,356	159,659	1,912,697	-108,294	130,422
E	Defence Estates	-	3,250,821	-	3,250,821	420,772	2,830,049	541,204	134,433
F	Defence Equipment and Support	-	16,188,178	3,598	16,191,776	268,001	15,923,775	6,910,866	32,099
G	Science Innovation Technology	-	465,375	4,142	469,517	85	469,432	614	-
H	Loans and Grants to and Repayments from the Hydrographic Office	-	-	-	-	-	-	-	496
I	Loans and Grants to and Repayments from ABRO	-	-	-	-	-	-	-	1,664
J	Loans and Grants to and Repayments from DSTL	-	-	-	-	-	-	10,700	-
K	Loans and Grants to and Repayments from Met Office	-	-	-	-	-	-	4,379	5,990
L	Air Command	-	2,986,116	393	2,986,509	160,612	2,825,897	94,666	-
M	Ministry of Defence Administration Costs	2,237,948	-	-	2,237,948	-	2,237,948	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
N	Central	-	321,873	-	321,873	-	321,873	-	-
O	Defence Equipment and Support	-	205,583	-	205,583	-	205,583	-	-

Part II: Revised subhead detail including additional provision

										£'000	
Resources										Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating		
	1	2	3	4	5	6		7	A in A	8	
P	Defence Estates AME	-	1,431,000	-	1,431,000	-	1,431,000	56,837	-	-	
Non-Budget											
Q	Navy Command	-	-	12,909	12,909	-	12,909	-	-	-	
R	Central	-	247	50,894	51,141	-	51,141	-	-	-	
S	Land Forces	-	-	89,251	89,251	-	89,251	-	-	-	
T	Defence Estates	-	122,406	28,247	150,653	-	150,653	2,141	-	-	
U	Air Command	-	-	8,549	8,549	-	8,549	-	-	-	
Spending in Annually Managed Expenditure (AME)											
<i>Central Government spending</i>											
V	Navy Command	-	2,349	-	2,349	-	2,349	-	-	-	
W	Air Command AME	-	774	-	774	-	774	-	-	-	
Non-Budget											
X	Defence Equipment and Support	-	210,753	-	210,753	-	210,753	-	-	-	
RfR 2: Operations and Peace-Keeping											
		-	2,960,520	-	2,960,520	73,168	2,887,352	1,725,335	-	-	
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A	Programme Rest of the World	-	66,833	-	66,833	-	66,833	-	-	-	
B	Peace Keeping Rest Of The World	-	2,893,687	-	2,893,687	73,168	2,820,519	1,725,335	-	-	
C	Stabilisation Aid Fund	-	-	-	-	-	-	-	-	-	

Part II: Revised subhead detail including additional provision

										£'000	
Resources							Capital				
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating			
1	2	3	4	5	6		7	A in A	8		
RfR 3: War Pensions and Allowances, etc											
-	-418	1,024,124	1,023,706	-	1,023,706		-	-			
Spending in Annually Managed Expenditure (AME)											
<i>Central Government spending</i>											
A	War Pensions Benefits Programme costs										
-	-418	1,023,624	1,023,206	-	1,023,206		-	-			
B	War Pensions Benefits Programme costs - Far Eastern Prisoners of War										
-	-	500	500	-	500		-	-			
Total for Estimate:											
2,237,948	39,881,386	1,356,582	43,475,916	1,299,670	42,176,246		9,591,612	305,150			

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	40,754,111	1,422,135	42,176,246
Voted capital items			
Capital	9,412,917	178,695	9,591,612
Less Non-operating A-in-A	305,150	-	305,150
Total net voted capital	9,107,767	178,695	9,286,462
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,702,832	-108,740	-3,811,572
Depreciation	-9,159,729	-1,442,265	-10,601,994
New provisions and adjustments to previous provisions	-202,528	-45,336	-247,864
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	473,818	300,050	773,868
Increase (+) / Decrease (-) in debtors	356,252	162,230	518,482
Increase (-) / Decrease (+) in creditors	-102,056	423,000	320,944
Use of provisions	259,862	45,283	305,145
Total accruals to cash adjustments	-12,077,213	-665,778	-12,742,991
Excess cash to be CFERd	-	-	-
Net Cash Requirement	37,784,665	935,052	38,719,717

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	2,237,948
RfR 2	-
RfR 3	-
Total Net Administration Costs	2,237,948
Net Programme Costs	
RfR 1	36,027,240
RfR 2	2,880,623
RfR 3	1,023,706
Non-voted	-
Total Net Programme Costs	39,931,569
Total Net Operating Cost	42,169,517
<i>of which:</i>	
Net Resource Requirement	42,176,246
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-6,729
Resource Budget	42,016,838

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	42,176,246
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-6,729
Other adjustments	-
Net Operating Cost (Accounts)	42,169,517
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-336,655
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	5,976
Unallocated resource provision	-
Other adjustments	178,000
Resource Budget (Budget)	42,016,838
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	39,100,088
Annually Managed Expenditure (AME)	2,916,750

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	9,286,462
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	851
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-2,141
Capital Budget (Budget)	9,285,172
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,228,335
Annually Managed Expenditure (AME)	56,837

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1:	Sir Bill Jeffrey, Permanent Head of Department
Request for Resources 2:	Sir Bill Jeffrey, Permanent Head of Department
Request for Resources 3:	Sir Bill Jeffrey, Permanent Head of Department

Sir Bill Jeffrey, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Bill Jeffrey is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Provision of defence capability	
Programme	1,226,502
<i>of which:</i>	
Sale of goods and services	1,198,652
Interest and dividends	27,850
Total RfR 1	1,226,502†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from fees and income from charges.</i>	
RfR 2: Operations and Peace-Keeping	
Programme	73,168
<i>of which:</i>	
Sale of goods and services	73,168
Total RfR 2	73,168†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of medical goods and food.</i>	
Total Operating A in A	1,299,670

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

	£'000
	2009-10
RfR 1: Provision of defence capability	
Programme	305,150
<i>of which:</i>	
Sale of assets	297,000
Loan, etc, repayments	8,150
Total RfR 1	305,150†
<i>† 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.</i>	
Total Non-Operating A in A	305,150

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-33,261	222,396	38,660,976	439,112	39,100,088
<i>of which: †</i>					
Administration budget	211	-	2,237,948	-	2,237,948
Near-cash in RDEL	-100,650	250,355	26,277,470	668,551	26,946,021
Capital DEL ††	178,695	-	9,227,484	851	9,228,335
Less Depreciation †††	-83,265	-	-8,438,227	-9,520	-8,447,747
Total DEL	62,169	222,396	39,450,233	430,443	39,880,676

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,604,820

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 D	The Royal British Legion	221
RfR1 D	The Scott Polar Institute	35
RfR1 L	RAF Sports Control Board	155
RfR3 B	Cost of 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.	500

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Department has adopted International Financial Reporting Standards (IFRS) with effect from 1 April 2009. The adoption of IFRS has led to some alteration in the Department's Estimate but has no effect on budgets.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, the Department has not included PPAs for IFRS in its Supplementary Estimate.

Armed Forces retired pay, pensions etc

Introduction

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

	Amount (£)	
	<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>		

RfR 1: Armed Forces retired pay, pensions etc

Section Reason for Change

Changes related to movements in budgets

<u>Changes in operating appropriations in aid (not offset by changes in spending)</u>		
A3:A5	Increase in appropriations in aid with a similar but not exact increase in expenditure.	10,001 -10,000
	<u>Totals</u>	10,001 -10,000

Total RfR 1	1,000
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Total change in resources for Estimate:	1,000
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2. As a result of the above 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.

Armed Forces retired pay, pensions etc

Part I

	£
Request for Resources 1: Armed Forces retired pay, pensions etc	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Armed Forces retired pay, pensions etc on:

RfR 1: Armed Forces retired pay, pensions etc

Payment of retired pay, pensions and lump sum benefits and associated non-cash items to persons covered by the scheme.

The **Armed Forces retired pay, pensions etc** will account for this Estimate.

Part II: Changes proposed

Resources

					£'000
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Armed Forces retired pay, pensions etc		10,001	10,000	1	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Retired pay, pensions and other payments to service personnel and their dependants	5,700,316	10,001	10,000	1	5,700,317
Total for Estimate:		10,001	10,000	1	

Capital and Cash

				£'000
	Present Provision	Changes in Provision	New Provision	
Total Capital Expenditure	-	-	-	
Non-Operating A in A	-	-	-	
Net cash requirement	1,996,080	1	1,996,081	

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Armed Forces retired pay, pensions etc									
-	-	7,412,525	7,412,525	1,712,208	5,700,317	-	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Retired pay, pensions and other payments to service personnel and their dependants								
-	-	7,412,525	7,412,525	1,712,208	5,700,317	-	-		
Total for Estimate:									
-	-	7,412,525	7,412,525	1,712,208	5,700,317	-	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,700,316	1	5,700,317
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-7,402,524	-10,001	-7,412,525
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	50,413	10,001	60,414
Increase (-) / Decrease (+) in creditors	-27,670	-	-27,670
Use of provisions	3,675,545	-	3,675,545
Total accruals to cash adjustments	-3,704,236	-	-3,704,236
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,996,080	1	1,996,081

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Combined Revenue Account

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	5,700,317
<i>of which:</i>	
Income	
Contributions received	1,710,519
Transfers in	1,689
Other income receivable	-
Total Income	<u>1,712,208</u>
Expenditure	
Increase in liability	2,045,205
Interest on scheme liability	5,367,320
Other expenditure	-
Total Expenditure	<u>7,412,525</u>
Non-voted	-
Total Net Programme Costs	<u>5,700,317</u>
Total Net Operating Cost	5,700,317
<i>of which:</i>	
Net Resource Requirement	5,700,317
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	5,700,317

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	5,700,317
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	5,700,317
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	5,700,317
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	5,700,317

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Sir Bill Jeffrey, Permanent Head of Department

Sir Bill Jeffrey, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Bill Jeffrey is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (continued)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
<hr/>	
RfR 1: Armed Forces retired pay, pensions etc	
Programme	1,712,208
<i>of which:</i>	
Pension scheme related income	1,712,208
<hr/>	
Total RfR 1	1,712,208†
<i>† Amount that may be applied as operating 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).</i>	
<hr/>	
Total Operating A in A	1,712,208

Notes to the Estimate (*continued*)**Cash which may be retained to offset expenditure**

	£'000
	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,712,208

Foreign and Commonwealth Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL end-year flexibility</u>		
A1	An increase of £5,700,000 administration costs in respect of restructuring.	5,700,000	
	<u>DEL Reserve claims</u>		
A3	Claim on the Reserve of £44,464,000 current grants in respect of the International Subscriptions cost sharing agreement.	44,464,000	
A2	Claim on the Reserve of £25,060,000 other current in respect of Consular Premiums.	25,060,000	
A1	Claim on the Reserve of £6,000,000 administration costs in respect of modernisation of the FCO.	6,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer of £5,500,000 other current from DfID in respect of the Returns and Reintegration Fund.	5,500,000	
A2	Transfer of £77,000 other current from DfID in respect of the Iraqi LE staff assistance scheme.	77,000	
A1	Transfer of £11,000 administration from the Cabinet Office in respect of charging for legal services by the Office of the Parliamentary Counsel.	11,000	
A2	Transfer of £10,000 other current from DfID in respect of the Low Carbon High Growth Strategic Programme Fund.	10,000	
A2	Transfer of £6,695,000 other current to MOD in respect of counter-narcotics work in Afghanistan.		-6,695,000
A2	Transfer of £1,965,000 other current to MOD in respect of counter-narcotics work in Afghanistan.		-1,965,000
A1	Transfer of £1,002,000 administration to MOD in respect of the FCO's contribution to the Information Assurance Technical Programme.		-1,002,000
A2	Transfer of £500,000 other current to the Security and Intelligence Agencies for expansion and capability.		-500,000

Introduction

	<u>Transfers from capital spending to resource spending</u>	
A1	Transfer of £16,000,000 capital to administration in respect of exchange rate pressures. This amount includes £3,000,000 transferred from Capital EYF.	16,000,000
	<u>Changes in Annually Managed Expenditure (AME)</u>	
F2	Increase in other current non cash AME of £30,000,000 in respect of impairments.	30,000,000
F2	Transfer of £2,735,000 other current AME to administration DEL in respect of FCO staff costs for accrued annual leave.	-2,735,000
	<u>Other changes</u>	
	<u>Resource transfers to/from another Request for Resources</u>	
A2	Transfer of £2,000,000 from RfR1 to RfR2 for FCO's contribution to the Helmand uplift for Stabilisation and Conflict Prevention.	-2,000,000
	<u>Resource transfers within the Request for Resources</u>	
A1	Transfer of £2,735,000 other current AME to administration DEL in respect of FCO staff costs for accrued annual leave.	2,735,000
	<u>Totals</u>	135,557,000 -14,897,000
	<u>Total RfR 1</u>	120,660,000

RfR 2: Conflict prevention

Section Reason for Change

	<u>Changes related to movements in budgets</u>	
	<u>DEL Reserve claims</u>	
A3	Benefit to HMT's Reserve of £14,000,000 in respect of Stabilisation and Conflict Prevention.	-14,000,000
	<u>Transfers of budgetary cover to/from other government departments</u>	
A3	Transfer of £14,700,000 from DfID in respect of discretionary Peacekeeping funds.	14,700,000
A3	Transfer of £11,259,000 from DfID in respect of Stabilisation and Conflict Prevention.	11,259,000
	<u>Other changes</u>	
	<u>Resource transfers to/from another Request for Resources</u>	
A3	Transfer of £2,000,000 from RfR1 to RfR2 for FCO's contribution to the Helmand uplift for Stabilisation and Conflict Prevention.	2,000,000

Introduction

<u>Resource transfers within the Request for Resources</u>			
A3, C3	Transfer of £60,000,000 from C3 to A3 in respect of the merger of the Conflict Prevention Pool and Stabilisation Aid Fund.	60,000,000	-60,000,000

<u>Totals</u>		87,959,000	-74,000,000
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<u>Total RfR 2</u>			13,959,000
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<u>Total change in resources for Estimate:</u>			134,619,000
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Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

<u>Take up of DEL End-Year flexibility</u>			
A7	Take up of £3,000,000 Capital EYF in respect of a transfer to administration costs.	3,000,000	

Other changes

<u>Transfers from capital to resources</u>			
A7	Transfer of £16,000,000 capital to administration in respect of exchange rate pressures.		-16,000,000

<u>Totals</u>		3,000,000	-16,000,000
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<u>Total RfR 1</u>			-13,000,000
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<u>Total changes in capital for Estimate:</u>			-13,000,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £91,619,000.
-
- Symbols are explained in the Introduction to this booklet.

Foreign and Commonwealth Office

Part I

	£
Request for Resources 1: Promoting internationally the interests of the UK and contributing to a strong world community	120,660,000
Request for Resources 2: Conflict prevention	13,959,000
Total additional net resource requirement	134,619,000
Additional net cash requirement	91,619,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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 to bodies supporting FCO objectives; scholarships, information services and sponsored visits; special payments and assistance programmes to support foreign policy objectives including human rights, good governance, international security and the fight against the illicit drug trade; on grant-in-aid to FCO Services, 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

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community					
		120,660	-	120,660	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration, programmes and international organisations subscriptions.	1,249,882	93,395	-	93,395	1,343,277
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
F Administration, programmes and international organisations subscriptions	22,735	27,265	-	27,265	50,000
RfR 2: Conflict prevention					
		13,959	-	13,959	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Conflict Prevention Programme expenditure	55,815	73,959	-	73,959	129,774
C Stabilisation Aid Fund	60,000	-60,000	-	-60,000	-
Total for Estimate:		134,619	-	134,619	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	173,010	-13,000	160,010
Non-Operating A in A	18,000	-	18,000
Net cash requirement	2,170,624	91,619	2,262,243

Part II: Revised subhead detail including additional provision

£'000									
Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating	
1	2	3	4	5	6		7	A in A	8
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community									
536,289	1,395,030	334,764	2,266,083	382,000	1,884,083		160,010	18,000	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration, programmes and international organisations subscriptions.								
536,289	911,024	277,964	1,725,277	382,000	1,343,277		160,010	18,000	
B	BBC World Service Broadcasting								
-	241,043	-	241,043	-	241,043		-	-	
C	British Council								
-	192,963	-	192,963	-	192,963		-	-	
D	BBC World Service - Capital grant								
-	-	31,000	31,000	-	31,000		-	-	
E	British Council - Capital grant								
-	-	7,800	7,800	-	7,800		-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
F	Administration, programmes and international organisations subscriptions								
-	50,000	-	50,000	-	50,000		-	-	
Non-Budget									
G	Reimbursement of certain duties taxes and licence fees								
-	-	18,000	18,000	-	18,000		-	-	
RfR 2: Conflict prevention									
-	-	483,204	483,204	-	483,204		-	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Conflict Prevention Programme expenditure								
-	-	129,774	129,774	-	129,774		-	-	
B	Peacekeeping								
-	-	353,430	353,430	-	353,430		-	-	
C	Stabilisation Aid Fund								
-	-	-	-	-	-		-	-	
Total for Estimate:									
536,289	1,395,030	817,968	2,749,287	382,000	2,367,287		160,010	18,000	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2,232,668	134,619	2,367,287
Voted capital items			
Capital	173,010	-13,000	160,010
Less Non-operating A-in-A	18,000	-	18,000
Total net voted capital	155,010	-13,000	142,010
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-94,004	-	-94,004
Depreciation	-123,050	-30,000	-153,050
New provisions and adjustments to previous provisions	-13,000	-	-13,000
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	13,000	-	13,000
Total accruals to cash adjustments	-217,054	-30,000	-247,054
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,170,624	91,619	2,262,243

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	456,289
RfR 2	-
Total Net Administration Costs	456,289
Net Programme Costs	
RfR 1	1,427,794
RfR 2	483,204
Non-voted	-6,000
Total Net Programme Costs	1,904,998
Total Net Operating Cost	2,361,287
<i>of which:</i>	
Net Resource Requirement	2,367,287
Non-voted Expenditure	3,000
Consolidated Fund Extra Receipts	-9,000
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	2,290,987

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	2,367,287
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	3,000
Consolidated Fund Extra Receipts in the OCS	-9,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	2,361,287
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-61,300
European Union income related to capital grants	-
Voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	9,000
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	2,290,987
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,240,987
Annually Managed Expenditure (AME)	50,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	142,010
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	61,300
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	203,310
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	203,310
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Peter Ricketts, Permanent Head of the Department

Request for Resources 2: Peter Ricketts, Permanent Head of the Department

Peter Ricketts, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Peter Ricketts is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	
Administration	80,000
<i>of which:</i>	
Sale of goods and services	80,000
Programme	302,000
<i>of which:</i>	
Sale of goods and services	302,000
Total RfR 1	382,000†
<p>† 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 including DfID and MoD for the Special Representative on Conflict Resolution, receipts for visa, passport and other services provided at consular offices;</p> <p>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; interest and dividends from Public Corporations; receipts from Sales into Wider Markets.</p>	
Total Operating A in A	382,000

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

	£'000
	2009-10
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	
Programme	18,000
<i>of which:</i>	
Sale of assets	18,000
Total RfR 1	18,000†
<p>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of land and buildings, receipts from the sale of official vehicles, repayment of loans to FCO services and receipts realised by the British Council.</p>	
Total Non-Operating A in A	18,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	107,354	-	2,237,987	3,000	2,240,987
<i>of which: †</i>					
Administration budget	29,444	-	456,289	-	456,289
Near-cash in RDEL	107,354	-	2,027,933	16,000	2,043,933
Capital DEL ††	-13,000	-	203,310	-	203,310
Less Depreciation †††	-	-	-103,050	-	-103,050
Total DEL	94,354	-	2,338,247	3,000	2,341,247

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	400,000

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

Nature of Liability	£'000
British Council - indemnities given by the British Council to the owners of objects exhibited overseas against loss or damage	2,215

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

RfR/Section	Body	£'000
RfR1 - A	UN Regular Budget	97,641
RfR1 - A	Commonwealth Secretariat	4,432
RfR1 - A	OECD	15,000
RfR1 - A	Western European Union	2,147
RfR1 - A	North Atlantic Treaty Organisation (NATO)	23,691
RfR1 - A	Council of Europe	26,266
RfR1 - A	OSCE	4,687

Department for International Development

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Eliminating poverty in poorer countries			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
F	Allocated to administration near cash DEL budgets	2,341,000	
F	Non cash DEL Departmental Provision allocated to budgets	10,000,000	
D	Allocated to capital grants	9,750,000	
A	Allocated to programme near cash DEL budgets	59,515,000	
B	Allocated to programme near cash DEL budgets	39,000,000	
C	Allocated to programme near cash DEL budgets	30,000,000	
D	Allocated to programme near cash DEL budgets	60,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
E	Transfer of funds from the Department of Health regarding the International Health Links Funding Scheme	280,000	
C	Transfer of funds to the Foreign and Commonwealth Office regarding payments to locally engaged staff in Iraq		-77,000
E	Transfer of funds to the Foreign and Commonwealth Office regarding the Returns and Reintegration Fund		-5,500,000
A	Transfer of funds to the Foreign and Commonwealth Office regarding the Low Carbon High Growth Strategic Programme Fund		-10,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
H	Increased provision for cost of capital charges in relation to CDC Group plc and Actis llp	10,006,000	
I	Reduced provision for cost of capital charges in relation to International Finance Facility for Immunisations		-21,139,000
I	Increased provision for International Finance Facility for Immunisations	280,000,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
F	Transfer resources to RfR2		-500,000
F	Transfer resources to RfR2		-11,500,000
B	Transfer resources to RfR2		-1,500,000
A	Transfer resources to RfR2		-200,000
F	Transfer admin resources from RfR2	130,000	

Introduction

Resource transfers within the Request for Resources

A	Re-allocation of administration costs to align Estimate with internal budgets	215,000	
B	Re-allocation of administration costs to align Estimate with internal budgets		-646,000
C	Re-allocation of administration costs to align Estimate with internal budgets	967,000	
D	Re-allocation of administration costs to align Estimate with internal budgets		-2,692,000
E	Re-allocation of administration costs to align Estimate with internal budgets		-833,000
F	Re-allocation of administration costs to align Estimate with internal budgets	2,989,000	
A	Re-allocation of funds for capital grants to align Estimate with internal budgets		-2,000,000
B	Re-allocation of funds for capital grants to align Estimate with internal budgets		-500,000
C	Re-allocation of funds for capital grants to align Estimate with internal budgets		-24,000,000
D	Re-allocation of funds for capital grants to align Estimate with internal budgets	26,500,000	
A	Re-allocation of programme funds to align Estimate with internal budgets	1,618,000	
B	Re-allocation of programme funds to align Estimate with internal budgets	206,000	
C	Re-allocation of programme funds to align Estimate with internal budgets	1,780,000	
D	Re-allocation of programme funds to align Estimate with internal budgets	7,515,000	
E	Re-allocation of programme funds to align Estimate with internal budgets		-10,583,000
F	Re-allocation of programme funds to align Estimate with internal budgets		-581,000

Transfers to/from non-voted spending

D	Transfer of funds from non-voted for reduction in forecast EU attribution	67,000,000	
D	Transfer of funds from non-voted DEL for payments to the International Finance Facility for Immunisation	775,000	

Changes in operating appropriations in aid (fully offset by changes in spending)

F	Increase in expected administration income fully offset by spending	1,000,000	-1,000,000
F	Increase in expected income fully offset by spending	500,000	-500,000

Totals

612,087,000 -83,761,000

Total RfR 1

528,371,000

Introduction

RfR 2: Conflict prevention

Section Reason for Change

Changes related to movements in budgets

Take up of Departmental Unallocated Provision

A	Allocated to near cash DEL Conflict Pool projects	7,264,000
A	Allocated to administration near cash DEL budgets	1,000,000

Transfers of budgetary cover to/from other government departments

A	Transfer of funds to the Foreign and Commonwealth Office regarding the Conflict Prevention Pool	-25,959,000
A	Transfer of funds to the Ministry of Defence regarding the Conflict Prevention Pool	-1,832,000
	Estimates Exclusion	5,958,000

Other changes

Resource transfers to/from another Request for Resources

A	Transfer resources from RfR1, section F	500,000
A	Transfer resources from RfR1, section F	11,500,000
A	Transfer resources from RfR1, section B	1,500,000
A	Transfer resources from RfR1, section A	200,000
A	Transfer admin resources to RfR1, section F	-130,000

<u>Totals</u>	27,922,000	-27,921,000
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<u>Total RfR 2</u>	1,000
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<u>Total change in resources for Estimate:</u>	528,372,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £242,772,000.
- Symbols are explained in the Introduction to this booklet.

Department for International Development

Part I

	£
Request for Resources 1: Eliminating poverty in poorer countries	528,371,000
Request for Resources 2: Conflict prevention	1,000
Total additional net resource requirement	528,372,000
Additional net cash requirement	242,772,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for International Development on:

RfR 1: Eliminating poverty in poorer countries

Development and humanitarian assistance under the International Development Act 2002, including financial and technical assistance to governments, institutions, voluntary agencies and individuals; capital subscriptions and other contributions, including payments under guarantee to multilateral development banks, UN, Commonwealth and other international and regional bodies; emergency, refugee and other relief assistance; grants in lieu of pensions in respect of overseas service ; global environment assistance; 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 and former beneficiaries of the Gibraltar Social Insurance Fund; administration, related capital expenditure and other administrative costs; and associated non-cash items.

RfR 2: Conflict prevention

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking and peacebuilding activity and on associated strengthening of international and regional systems and capacity; post-conflict reconstruction programmes, including administration and related capital expenditure ; and associated non-cash items.

The **Department for International Development** will account for this Estimate.

Part II: Changes proposed

Resources

£'000						
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Eliminating poverty in poorer countries						
		529,871	1,500	528,371		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Bilateral Aid to Africa	1,552,621	59,138	-	59,138	1,611,759
B	Bilateral Aid to South Asia	730,288	36,560	-	36,560	766,848
C	Bilateral Aid to the Rest of the World	415,555	8,670	-	8,670	424,225
D	Improve the Effectiveness of Multilateral Aid	2,147,964	178,848	-	178,848	2,326,812
E	Develop a Global Partnership for Development	552,686	-16,591	-	-16,591	536,095
F	Central Departments	120,750	-5,621	1,500	-7,121	113,629
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
H	Programmes Contributing to Multiple Objectives	130,059	10,006	-	10,006	140,065
I	Grants to the International Finance Facility for Immunisation	20,000	258,861	-	258,861	278,861
RfR 2: Conflict prevention						
		1	-	1		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Conflict Prevention and Stabilisation	27,200	1	-	1	27,201
Total for Estimate:		529,872	1,500	528,372		

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
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Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
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Total Capital Expenditure	28,000	-	28,000
Non-Operating A in A	20,000	-	20,000
Net cash requirement	5,595,904	242,772	5,838,676

Part II: Revised subhead detail including additional provision

£'000									
Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating	
1	2	3	4	5	6		7	A in A	8
RfR 1: Eliminating poverty in poorer countries									
	161,880	1,444,238	4,703,676	6,309,794	11,500	6,298,294	28,000	20,000	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Bilateral Aid to Africa								
	16,716	222,043	1,373,000	1,611,759	-	1,611,759	-	-	
B	Bilateral Aid to South Asia								
	8,714	111,634	646,500	766,848	-	766,848	-	-	
C	Bilateral Aid to the Rest of the World								
	15,517	116,708	292,000	424,225	-	424,225	-	-	
D	Improve the Effectiveness of Multilateral Aid								
	13,352	289,210	2,024,250	2,326,812	-	2,326,812	-	-	
E	Develop a Global Partnership for Development								
	23,866	391,229	121,000	536,095	-	536,095	-	-	
F	Central Departments								
	83,715	13,414	28,000	125,129	11,500	113,629	28,000	20,000	
G	Environmental Transformation Fund								
	-	-	100,000	100,000	-	100,000	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
H	Programmes Contributing to Multiple Objectives								
	-	-	140,065	140,065	-	140,065	-	-	
I	Grants to the International Finance Facility for Immunisation								
	-	300,000	-21,139	278,861	-	278,861	-	-	
RfR 2: Conflict prevention									
	4,070	10,958	12,173	27,201	-	27,201	-	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Conflict Prevention and Stabilisation								
	4,070	10,958	12,173	27,201	-	27,201	-	-	
Total for Estimate:									
	165,950	1,455,196	4,715,849	6,336,995	11,500	6,325,495	28,000	20,000	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,797,123	528,372	6,325,495
Voted capital items			
Capital	28,000	-	28,000
Less Non-operating A-in-A	20,000	-	20,000
Total net voted capital	8,000	-	8,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-199,774	13,848	-185,926
Depreciation	-20,000	1,931	-18,069
New provisions and adjustments to previous provisions	-25,000	-295,396	-320,396
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-285	-	-285
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-5,958	-5,958
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	35,840	-25	35,815
Total accruals to cash adjustments	-209,219	-285,600	-494,819
Excess cash to be CFERd	-	-	-
Net Cash Requirement	5,595,904	242,772	5,838,676

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	155,880
RfR 2	4,070
Total Net Administration Costs	159,950
Net Programme Costs	
RfR 1	6,142,414
RfR 2	17,173
Non-voted	-
Total Net Programme Costs	6,159,587
Total Net Operating Cost	6,319,537
<i>of which:</i>	
Net Resource Requirement	6,325,495
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-5,958
Resource Budget	5,772,787

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	6,325,495
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-5,958
Other adjustments	-
Net Operating Cost (Accounts)	6,319,537
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-1,357,750
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	811,000
Resource Budget (Budget)	5,772,787
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,378,926
Annually Managed Expenditure (AME)	393,861

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	8,000
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	1,357,750
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	1,365,750
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,365,750
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Nemat Shafik, Permanent Head of the Department

Request for Resources 2: Nemat Shafik, Permanent Head of the Department

Nemat Shafik, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Nemat Shafik is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Eliminating poverty in poorer countries	
Administration	6,000
<i>of which:</i>	
Sale of goods and services	6,000
Programme	5,500
<i>of which:</i>	
Sale of goods and services	5,500
Total RfR 1	11,500†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from overseas governments in respect of bilateral country and sector programmes; refunds of payments made under UK guarantees to the European Investment Bank; receipts of interest on bilateral and multilateral loans; recoveries from other government departments; recovery of advances from procurement agents; administration receipts for: seconded officers, including recovery of the European Bank for Reconstruction and Development Executive Director's salary; recoveries from other government departments; rental income; recoveries from staff for use of official vehicles; refund of rental payments and rates.</i>	
Total Operating A in A	11,500

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

	£'000
	2009-10
RfR 1: Eliminating poverty in poorer countries	
Programme	20,000
<i>of which:</i>	
Loan, etc, repayments	20,000
Total RfR 1	20,000†
<i>† 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.</i>	
Total Non-Operating A in A	20,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	243,797	-276,895	4,542,861	836,065	5,378,926
<i>of which: †</i>					
Administration budget	3,341	-3,341	159,950	-	159,950
Near-cash in RDEL	233,047	-266,145	4,437,111	846,815	5,283,926
Capital DEL ††	9,750	-9,750	1,365,750	-	1,365,750
Less Depreciation †††	1,931	-	-18,069	-	-18,069
Total DEL	255,478	-286,645	5,890,542	836,065	6,726,607

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	31,500

Department of Energy and Climate Change

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
	Other resource (near cash)		
C2	Increase in provision for Bringing about a low carbon UK	22,800,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
	Administration costs (near cash)		
F1	Increase in provision - transfer from Cabinet Office for Parliamentary Counsel Office costs	343,000	
	Other resource (near cash)		
C2	Decrease in provision - transfer to Department for Environment, Food and Rural Affairs from Bringing about a low carbon UK		-12,500,000
C2	Decrease in provision - transfer to Department for Business, Innovation and Skills for National Skills Academy for Power		-500,000
	Capital grants		
C3	Increase in provision - transfer from Department for Environment, Food and Rural Affairs for Anaerobic Digestion Demonstration Programme	265,000	
<u>Changes in operating appropriations in aid (not offset by changes in spending)</u>			
B5	Increase in operating appropriations-in-aid for Managing historic energy liabilities effectively and responsibly offset by increase in non-voted DEL spending		-40,748,000
C5	Increase in operating appropriations-in-aid for Building a low carbon UK offset by increase in non-voted DEL spending		-821,000

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<u>Other changes in DEL spending</u>			
F1	Transfer from Programme of funding for transition costs	7,500,000	
F1	Transfer from Programme of funding for consumer levies administration costs	1,000,000	
F1	Increase in provision - funding for accrued employee benefits under IAS19	204,000	
Other resource (near cash)			
A2	Increase in provision - funding for accrued employee benefits under IAS19	7,000	
C2	Transfer to Administration costs of funding for transition costs		-7,500,000
C2	Transfer to Administration costs of funding for consumer levies administration costs		-1,000,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
G3	Decrease in provision for Managing historic energy liabilities effectively and responsibly (Grants)		-63,000
G2	Increase in provision for Managing historic energy liabilities effectively and responsibly (Other current)	75,156,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
C2	Decrease in provision for Bringing about a low carbon UK (Other current)		-976,000
C3	Increase in provision for Bringing about a low carbon UK (Grants)	976,000	
<u>Increases in non-budget spending</u>			
To increase Grant-in-Aid provision for:			
I3	Civil Nuclear Police Authority	808,000	
J3	Committee on Climate Change	821,000	
<u>Transfers from capital to capital grants</u>			
C3	Transfer from Capital to Capital Grants for Bringing about a low carbon UK	11,100,000	
<u>Transfers from Capital Grants to Capital</u>			
C3	Transfer from Capital Grants to Capital for Bringing about a low carbon UK		-40,000,000
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A5/A2	To decrease provision for appropriations-in-aid and corresponding expenditure for Supporting affordable, secure and sustainable energy	1,963,000	-1,963,000
Totals		122,943,000	-106,071,000
Total RfR 1		16,872,000	

Introduction

Total change in resources for Estimate:	16,872,000
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Changes in capital

Section Reason for Change

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Changes related to movements in budgets

Other changes in DEL spending

A7	Increase in provision for Bringing about a low carbon UK	50,000,000
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Other changes

Transfers from capital grants to capital

A7	Transfer from capital to capital grants for Supporting affordable, secure and sustainable energy	40,000,000
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Transfers from capital to capital Grants

C7	Transfer from capital to capital grants for Bringing about a low carbon UK	-11,100,000
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Changes in non-operating appropriations in aid (not offset by changes in spending)

B8	Increase in non-operating appropriations-in-aid for Managing historic energy liabilities effectively and responsibly offset by decrease in DEL CFER income	-39,401,000
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Totals

90,000,000	-50,501,000
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Total RfR 1	39,499,000
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Total changes in capital for Estimate:	39,499,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £14,278,000.
-
- Symbols are explained in the Introduction to this booklet.

Department of Energy and Climate Change

Part I

	£
Request for Resources 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	16,872,000
Total additional net resource requirement	16,872,000
Additional net cash requirement	14,278,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department of Energy and Climate Change on:

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Support for energy-related activities including regulation, civil emergency planning, environmental remediation and support for new and sustainable energy sources, security and 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.

Respond to fuel poverty needs; measures to improve energy efficiency, security and environmental practice; promote and support actions to reduce global greenhouse gas emissions; climate modelling and risk assessment; investments in the 2020 European Fund for Energy, Climate Change and Infrastructure ('Marguerite').

Work towards international agreement on climate change; subscriptions and contributions to international organisations and fulfilment of international treaty obligations.

Payments to the Department for Business, Innovation and Skills towards the costs of the Regional Development Agencies and the London Development Agency.

Efficient discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and for former coal industry employees.

Specialist support services, staff management and development; other departmental administration and non-cash costs; exchange risk and other guarantee losses; publicity, promotion, publications, knowledge sharing initiatives and departmental research and development; grant-in-aid and subsidies to support delivery bodies; surveys, monitoring, statistics, advice and consultancies; licensing, approvals and certification; inspections and compliance in accordance with EU regulatory requirements.

The **Department of Energy and Climate Change** will account for this Estimate.

Part II: Changes proposed

Resources

£ 000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.						
		56,478	39,606	16,872		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Supporting affordable, secure and sustainable energy	85,578	-1,956	-1,963	7	85,585
B	Managing historic energy liabilities effectively and responsibly	-1,111,620	-	40,748	-40,748	-1,152,368
C	Bringing about a low carbon UK	789,643	-27,335	821	-28,156	761,487
F	Professional support and infrastructure	100,078	9,047	-	9,047	109,125
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
G	Managing historic energy liabilities effectively and responsibly	77,831	75,093	-	75,093	152,924
Non-Budget						
I	Managing historic energy liabilities effectively and responsibly	3,013,521	808	-	808	3,014,329
J	Bringing about a low carbon UK	3,557	821	-	821	4,378
Total for Estimate:			56,478	39,606	16,872	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	121,600	78,900	200,500
Non-Operating A in A	121,599	39,401	161,000
Net cash requirement	3,339,580	14,278	3,353,858

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6	7	8	
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.								
105,836	323,312	3,842,093	4,271,241	1,182,040	3,089,201	200,500	161,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Supporting affordable, secure and sustainable energy							
-	22,266	67,910	90,176	4,591	85,585	90,000	-	
B	Managing historic energy liabilities effectively and responsibly							
-	9,577	555	10,132	1,162,500	-1,152,368	-	161,000	
C	Bringing about a low carbon UK							
-	121,584	645,576	767,160	5,673	761,487	110,500	-	
D	Developing an international agreement on climate change							
-	6,910	-	6,910	1,000	5,910	-	-	
E	Promoting low carbon technologies in developing countries							
-	-	107,830	107,830	-	107,830	-	-	
F	Professional support and infrastructure							
105,836	6,566	-	112,402	3,277	109,125	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
G	Managing historic energy liabilities effectively and responsibly							
-	151,409	1,515	152,924	-	152,924	-	-	
Non-Budget								
H	Supporting affordable, secure and sustainable energy							
-	5,000	-	5,000	4,999	1	-	-	
I	Managing historic energy liabilities effectively and responsibly							
-	-	3,014,329	3,014,329	-	3,014,329	-	-	
J	Bringing about a low carbon UK							
-	-	4,378	4,378	-	4,378	-	-	
Total for Estimate:								
105,836	323,312	3,842,093	4,271,241	1,182,040	3,089,201	200,500	161,000	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	3,072,329	16,872	3,089,201
Voted capital items			
Capital	121,600	78,900	200,500
Less Non-operating A-in-A	121,599	39,401	161,000
Total net voted capital	1	39,499	39,500
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-54,962	-	-54,962
Depreciation	-2,987	-	-2,987
New provisions and adjustments to previous provisions	-43,294	-75,093	-118,387
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-120	-	-120
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	368,613	33,000	401,613
Total accruals to cash adjustments	267,250	-42,093	225,157
Excess cash to be CFERd	-	-	-
Net Cash Requirement	3,339,580	14,278	3,353,858

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	32,555	<i>32,555</i>	62,697	<i>62,697</i>
Non-operating income not classified as A in A	184,401	<i>184,401</i>	337,300	<i>337,300</i>
Other amounts collectable on behalf of the Consolidated Fund	60,000	<i>60,000</i>	60,000	<i>60,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>-</i>	-	<i>-</i>
Total	276,956	<i>276,956</i>	459,997	<i>459,997</i>

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	102,559
Total Net Administration Costs	<u>102,559</u>
Net Programme Costs	
RfR 1	2,986,642
Non-voted	-62,697
Total Net Programme Costs	<u>2,923,945</u>
Total Net Operating Cost	3,026,504
<i>of which:</i>	
Net Resource Requirement	3,089,201
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-62,697
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	3,501,366

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	3,089,201
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-62,697
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	3,026,504
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-643,735
European Union income related to capital grants	-
Voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	1,078,496
Unallocated resource provision	-
Other adjustments	40,102
Resource Budget (Budget)	3,501,366
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,219,540
Annually Managed Expenditure (AME)	2,281,826

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	39,500
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-337,300
Capital spending by non-departmental public bodies	1,244,812
Capital grants	643,735
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-40,102
Capital Budget (Budget)	1,550,645
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,887,945
Annually Managed Expenditure (AME)	-337,300

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Moira Wallace

Moira Wallace, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Moira Wallace is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Administration	3,277
<i>of which:</i>	
Sale of goods and services	3,277
Programme	1,178,763
<i>of which:</i>	
Sale of goods and services	1,177,390
Other grant income (including repayments of grants/subsidies)	1,373

Total RfR 1	1,182,040†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts relating to the Nuclear Decommissioning Authority and the oil and gas industries (including petroleum licensing); income relating to legal services, consultancy, publications, public inquiries, information, secondments, departmental administration costs, central services, rental income and repayments; occupancy charge; administrative and professional services; receipts from other Government Departments and devolved administrations; government carbon offsetting scheme receipts.

Total Operating A in A	1,182,040
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Programme	161,000
<i>of which:</i>	
Sale of assets	161,000

Total RfR 1	161,000†
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† Amount that may be applied as non-operating appropriations in aid, arising from: receipts relating to the Nuclear Decommissioning Authority; the sale of surplus land and buildings.

Total Non-Operating A in A	161,000
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Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2009-10 Provision Income	Receipts
Application fees for petroleum exploration and production licenses, and initial and periodic payments (rents). Royalty on petroleum won and saved ●	60,000	60,000
National Nuclear Laboratory Φ	555	555
Distribution of surpluses from coal industry pension scheme Δ	337,300	337,300
BNFL/Urenco dividend Δ	22,040	22,040
Repayment of Offshore Wind capital grantsΦ	40,102	40,102
Total	459,997	459,997

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-31,215	145,592	-735,996	1,955,536	1,219,540
<i>of which: †</i>					
Administration budget	9,047	-	102,559	-	102,559
Near-cash in RDEL	-31,215	145,592	-759,528	2,000,030	1,240,502
Capital DEL ††	10,864	-127,524	693,065	1,194,880	1,887,945
Less Depreciation †††	-	-	-2,987	-4,104	-7,091
Total DEL	-20,351	18,068	-45,918	3,146,312	3,100,394

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,343,040

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 A3	Non-proliferation: international subscriptions	26,935

Grants in aid

RfR/Section	Body	£'000
RfR1 I	Nuclear Decommissioning Authority ♥	2,970,752
RfR1 I	Coal Authority ♥	39,769
RfR1 I	Civil Nuclear Police Authority ♥	3,808
RfR1 J	Committee on Climate Change ♥	4,378

Notes to the Estimate (*continued*)

Changes in Accounting Policies

Following the full adoption of International Financial Reporting Standards (IFRS) with effect from 1 April 2009, a sum of £204,000 has been included in section F1 and £7,000 in section A2.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

UK Atomic Energy Authority Pension Schemes

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Effective management of UKAEA pension schemes			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Changes in Annually Managed Expenditure (AME)</u>			
A3	Increase in Interest on Scheme Liabilities	4,000,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A3 and A5	Increase in Interest on Scheme Liabilities offset by increase in receipts of employer contributions	5,723,000	-5,723,000
<u>Totals</u>		9,723,000	-5,723,000
Total RfR 1		4,000,000	
Total change in resources for Estimate:		4,000,000	

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.

UK Atomic Energy Authority Pension Schemes

Part I

	£
Request for Resources 1: Effective management of UKAEA pension schemes	4,000,000
Total additional net resource requirement	4,000,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the UK Atomic Energy Authority Pension Schemes on:

RfR 1: Effective management of UKAEA pension schemes

Payment of pensions etc., to members of the United Kingdom Atomic Energy Authority pension schemes, related expenditure and associated non-cash items.

The **UK Atomic Energy Authority Pension Schemes** will account for this Estimate.

Part II: Changes proposed

Resources

£'000						
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Effective management of UKAEA pension schemes						
		9,723	5,723	4,000		
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
A	Payments of pensions, transfer values and repayments of contributions	281,270	9,723	5,723	4,000	285,270
Total for Estimate:		9,723	5,723	4,000		

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	181,387	1	181,388

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Effective management of UKAEA pension schemes									
-	-	320,270	320,270	35,000	285,270	-	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Payments of pensions, transfer values and repayments of contributions								
-	-	320,270	320,270	35,000	285,270	-	-		
Total for Estimate:									
-	-	320,270	320,270	35,000	285,270	-	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	281,270	4,000	285,270
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-310,547	-9,723	-320,270
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	17,000	-17,000	-
Use of provisions	193,664	22,724	216,388
Total accruals to cash adjustments	-99,883	-3,999	-103,882
Excess cash to be CFERd	-	-	-
Net Cash Requirement	181,387	1	181,388

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Combined Revenue Account

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	285,270
<i>of which:</i>	
Income	
Contributions received	31,056
Transfers in	3,944
Other income receivable	-
Total Income	<u>35,000</u>
Expenditure	
Increase in liability	35,280
Interest on scheme liability	284,990
Other expenditure	-
Total Expenditure	<u>320,270</u>
Non-voted	-
Total Net Programme Costs	<u>285,270</u>
Total Net Operating Cost	285,270
<i>of which:</i>	
Net Resource Requirement	285,270
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	285,270

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	285,270
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	285,270
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	285,270
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	285,270

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Simon Fraser, Permanent Head of the Department

Simon Fraser, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Simon Fraser is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
<hr/>	
RfR 1: Effective management of UKAEA pension schemes	
Programme	35,000
<i>of which:</i>	
Pension scheme related income	35,000
<hr/>	
Total RfR 1	35,000†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts of employers' and employees' contributions and inward transfers.</i>	
<hr/>	
Total Operating A in A	35,000

Notes to the Estimate (*continued*)**Cash which may be retained to offset expenditure**

	£'000
	Revised
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.	35,000

Department for Environment, Food and Rural Affairs

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
J2	Increase in Other Current spend for Rural Payments Agency Other, drawn down from the non-voted Departmental Unallocated Provision	26,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
B3	Transfer of Capital Grants from Sustainable Consumption and Production to the Department of Energy and Climate Change (DECC)		-265,000
C2	Transfer of Other Current spend from Addressing Environmental Risk and Emergencies to the Department of Agriculture and Rural Development (Northern Ireland) (DARDNI)		-827,000
G1	Transfer of Administration spend to A Respected Department from the Cabinet Office	200,000	
J2	Transfer of Other Current spend to Rural Payments Agency Other from the Department of Energy and Climate Change (DECC)	12,500,000	
<u>Other changes in DEL spending</u>			
J2	Increase in Other Current spend for Rural Payments Agency Other	30,000,000	

Introduction

M3	Increase in Capital Grants for A Healthy Natural Environment	112,000
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Other changes

Resource transfers to/from another Request for Resources

A2	Transfer of Other Current spend from A Healthy Natural Environment to Forestry Commission (GB Core) (RfR02)	-707,000
A2	Transfer of Other Current spend from A Healthy Natural Environment to Forestry Commission (GB Core) (RfR02)	-100,000
A5	Transfer of Appropriations in Aid to A Healthy Natural Environment from Forestry Commission (England) (RfR02)	-344,000
B2	Transfer of Other Current spend from Sustainable Consumption and Production to Forestry Commission (England) (RfR02)	-140,000
G1	Transfer of Administration spend from A Respected Department to Forestry Commission (England) (RfR02)	-6,950,000
G2	Transfer of Other Current spend from A Respected Department to Forestry Commission (GB Core) (RfR02)	-594,000
G2	Transfer of Other Current spend from A Respected Department to Forestry Commission (GB Core) (RfR02) relating to IAS 41 Agricultural Assets (IFRS)	-6,600,000
M3	Transfer of Grants from A Healthy Natural Environment (LA) to Forestry Commission (England) (RfR02)	-1,000,000
M3	Transfer of Grants from A Healthy Natural Environment (LA) to Forestry Commission (GB Core) (RfR02)	-900,000

Resource transfers within the Request for Resources

A1	Increase in Administration spend for A Healthy Natural Environment	3,122,000
A2	Increase in Other Current spend for A Healthy Natural Environment	350,000
A2	Decrease in Other Current spend for A Healthy Natural Environment	-72,000
A3	Increase in Grants for A Healthy Natural Environment	1,845,000
B1	Increase in Administration spend for Sustainable Consumption and Production	147,000

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B2	Decrease in Other Current spend for Sustainable Consumption and Production	-865,000
B3	Increase in Grants for Sustainable Consumption and Production	515,000
C1	Increase in Administration spend for Addressing Environmental Risk and Emergencies	7,062,000
C2	Decrease in Other Current spend for Addressing Environmental Risk and Emergencies	-10,281,000
C3	Increase in Grants for Addressing Environmental Risk and Emergencies	3,435,000
C5	Increase in Appropriations in Aid for Addressing Environmental Risk and Emergencies	-700,000
D1	Increase in Administration spend for A Thriving Farming and Food Sector	118,000
D2	Increase in Other Current spend for A Thriving Farming and Food Sector	536,000
E1	Increase in Administration spend for Championing Sustainable Development	500,000
F1	Increase in Administration spend for Strong Rural Communities	175,000
F2	Decrease in Other Current spend for Strong Rural Communities	-1,008,000
F3	Decrease in Grants for Strong Rural Communities	-580,000
G1	Decrease in Administration spend for A Respected Department	-4,474,000
G2	Decrease in Other Current spend for A Respected Department	-11,395,000
G3	Increase in Grants for A Respected Department	1,661,000
G3	Decrease in Grants for A Respected Department	-130,000
G5	Decrease in Appropriations in Aid for A Respected Department	5,586,000
H5	Increase in Appropriations in Aid for Rural Payments Agency EC Funded	-4,886,000
I2	Increase in Other Current spend for Rural Payments Agency Running Costs	24,014,000
I3	Increase in Grants for Rural Payments Agency Running Costs	710,000

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J2	Decrease in Other Current spend for Rural Payments Agency Other		-13,750,000
K2	Increase in Other Current spend for Adapting to Climate Change	178,000	
L1	Increase in Administration spend for A Sustainable, Secure and Healthy Food Supply	300,000	
L2	Decrease in Other Current spend for A Sustainable, Secure and Healthy Food Supply		-102,000
M3	Decrease in Grants for A Healthy Natural Environment (LA)		-2,011,000
	<u>Transfers to/from non-voted spending</u>		
A2	Transfer of Other Current spend from A Healthy Natural Environment to Environment Agency		-3,777,000
A2	Decrease in Other Current spend for A Healthy Natural Environment, offset by a decrease in non-voted CFER DEL income		-1,000,000
A3	Transfer of Grants to A Healthy Natural Environment from Environment Agency	660,000	
A3	Transfer of Grants from A Healthy Natural Environment to Natural England		-5,471,000
A5	Transfer of Appropriations in Aid to A Healthy Natural Environment from Environment Agency		-1,156,000
B2	Transfer of Other Current spend from Sustainable Consumption and Production to Environment Agency		-460,000
C2	Transfer of Other Current spend to Addressing Environmental Risk and Emergencies from Environment Agency	8,862,000	
C3	Transfer of Grants from Addressing Environmental Risk and Emergencies to Environment Agency		-5,140,000
F2	Transfer of Other Current spend from Strong Rural Communities to Sustainable Development Commission		-175,000
G2	Transfer of Other Current spend to A Respected Department from Natural England	1,149,000	
G2	Transfer of Other Current spend to A Respected Department from Commission for Rural Communities	47,000	
G2	Transfer of Other Current spend from A Respected Department to Environment Agency		-17,200,000

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G2	Transfer of Other Current spend to A Respected Department from Royal Botanical Gardens, Kew	200,000	
H2	Increase in Other Current spend for Rural Payments Agency EC Funded, offset by an increase in non-voted CFER DEL income	356,481,000	
M3	Transfer of Grants from A Healthy Natural Environment (LA) to Environment Agency		-2,839,000

Increases in non-budget spending

R3	Increase in Grant in Aid for Environment Agency	7,264,000	
R3	Increase in Grant in Aid for Natural England	35,210,000	
S3	Decrease in Grant in Aid for Environment Agency		-2,542,000
T3	Increase in Grant in Aid for Gangmasters Licensing Authority	600,000	
V3	Increase in Non budget Other Current spend for Rural Payments Agency EC Funded relating to a prior period adjustment	180,700,000	
W3	Increase in Grant in Aid for Sustainable Development Commission	175,000	

Changes in operating appropriations in aid (fully offset by changes in spending)

C2 and C5	Increase in Other Current spend for Addressing Environmental Risk and Emergencies, offset by an increase in Appropriations in Aid	2,400,000	-2,400,000
G5 and G2	Decrease in Other Current spend for A Respected Department, offset by a decrease in Appropriations in Aid	2,607,000	-2,607,000
I2 and I5	Increase in Other Current spend for Rural Payments Agency Running Costs, offset by an increase in Appropriations in Aid	3,427,000	-3,427,000
V2 and V5	Increase in Other Current spend for Rural Payments Agency EC Funded, offset by an increase in Appropriations in Aid	33,917,000	-33,917,000

Totals

752,765,000 -150,792,000

Total RfR 1

601,973,000

Introduction

RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain

Section Reason for Change

Other changes

Resource transfers to/from another Request for Resources

A2	Transfer of Other Current spend to Forestry Commission (England) from A Healthy Natural Environment (RfR01)	344,000	
A2	Transfer of Other Current spend to Forestry Commission (England) from Sustainable Consumption and Production (RfR01)	140,000	
A2	Transfer of Other Current spend to Forestry Commission (England) from A Healthy Natural Environment (LA) (RfR01)	1,000,000	
A2	Transfer of Other Current spend to Forestry Commission (England) from A Respected Department (RfR01)	6,970,000	
B2	Transfer of Other Current spend to Forestry Commission (GB Core) from A Respected Department (RfR01)	574,000	
B2	Transfer of Other Current spend to Forestry Commission (GB Core) from A Healthy Natural Environment (RfR01)	707,000	
B2	Transfer of Other Current spend to Forestry Commission (GB Core) from A Healthy Natural Environment (RfR01)	100,000	
B2	Transfer of Other Current spend to Forestry Commission (GB Core) from A Healthy Natural Environment (LA) (RfR01)	900,000	
B2	Transfer of Other Current spend to Forestry Commission (GB Core) from A Respected Department (RfR01) relating to IAS 41 Agricultural Assets (IFRS)	6,600,000	
	<u>Totals</u>	17,335,000	-
<u>Total RfR 2</u>			17,335,000
<u>Total change in resources for Estimate:</u>			619,308,000

Introduction

Changes in capital

Section Reason for Change

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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Changes related to movements in budgets

Changes in non-operating appropriations in aid (fully offset by changes in spending)

G8 and G7	Decrease in Non-operating Appropriations in Aid for A Respected Department, offset by a decrease in Capital spend	11,247,000	-11,247,000
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Other changes in DEL spending

G7	Decrease in Capital spend for A Respected Department		-112,000
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Other changes

Transfers to/from non-voted spending

A7	Transfer of Capital spend from A Healthy Natural Environment to Environment Agency		-1,250,000
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Transfers within the Estimate

A7	Decrease in Capital spend for A Healthy Natural Environment		-387,000
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C7	Increase in Capital spend for Addressing Environmental Risk and Emergencies	11,006,000	
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G7	Decrease in Capital spend for A Respected Department		-11,656,000
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I7	Increase in Capital spend for Rural Payments Agency Running Costs	1,037,000	
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Totals		23,290,000	-24,652,000
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Total RfR 1			-1,362,000
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Total changes in capital for Estimate:			-1,362,000
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- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £1,037,618,000.
- Symbols are explained in the Introduction to this booklet.

Department for Environment, Food and Rural Affairs

Part I

	£
Request for Resources 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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	601,973,000
Request for Resources 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain	17,335,000
Total additional net resource requirement	619,308,000
Additional net cash requirement	1,037,618,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Climate modelling, risk assessment and adaptation;

Support national and global biodiversity; contaminated land grants; environmental protection; maintain water quality and supply; management of inland waterways and obligations under the Water Act 2003; marine environment, species and habitat protection; international policy, research, standard-setting, and monitoring to support sustainable forestry; wildlife management; maintain air and ozone quality; increase UK's environment decontamination capabilities;

Promotion and support for sustainable consumption and production, better waste management and sustainable development;

Flood risk management; exotic and endemic animal and plant disease policy portfolio and eradication; regulatory systems for chemicals and pesticides; manage other environmental risks; land drainage and sewerage; noise-mapping; radioactive waste management; pollution emergency response services;

Supporting development of farming and cost-sharing initiatives; keeping, movement tracing, international trade and welfare of animals; animal products, dairy hygiene and marketing; champion hygienic production, marketing, delivery and processing in the agriculture, fisheries and food industries; EU compensation payments to producers and support for agriculture; UK's responsibilities under the CITES Convention; fishing industry support;

Support a sustainable, secure and healthy food supply;

Part I

Support for rural and regional development;

Specialist support services, staff management and development; other departmental administration and non-cash costs; publicity, promotion, awareness and publications; knowledge sharing initiatives; commissioned and departmental research and development; grant-in-aid and subsidies to support delivery bodies; surveys, monitoring, statistics, advice and consultancies; funding through Area Based Grants; subscriptions and contributions to international organisations; licensing, approvals and certification; inspections and compliance in accordance with EU regulatory requirements.

RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain

Deliver the social, environmental and economic programmes of the UK Government's strategy for Trees, Woods and Forests in England, connected to the distinctive needs of the Regions, through the promotion of forestry: and by managing the Commission's Estate regulating planting and felling and offering incentives. Provide advice and support to the UK Government and to the devolved administrations in Scotland and Wales, represent the United Kingdom's forestry interests within the European Union and internationally, set standards for sustainable forest management and encourage good forestry practice, conduct forest research and protect forests from pests and disease.

The **Department for Environment, Food and Rural 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	
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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible						
		640,610	38,637	601,973		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	A Healthy Natural Environment	821,939	-5,150	1,500	-6,650	815,289
B	Sustainable Consumption and Production	98,088	-1,068	-	-1,068	97,020
C	Addressing Environmental Risk and Emergencies	367,200	5,511	3,100	2,411	369,611
D	A Thriving Farming and Food Sector	103,248	654	-	654	103,902
E	Championing Sustainable Development	5,255	500	-	500	5,755
F	Strong Rural Communities	91,563	-1,588	-	-1,588	89,975
G	A Respected Department	254,685	-46,693	-8,193	-38,500	216,185
H	Rural Payments Agency EC Funded	1,878,395	356,481	4,886	351,595	2,229,990
I	Rural Payments Agency Running Costs	218,416	28,151	3,427	24,724	243,140
J	Rural Payments Agency Other	55,750	54,750	-	54,750	110,500
K	Adapting to Climate Change	23,458	178	-	178	23,636
L	A Sustainable, Secure and Healthy Food Supply	3,868	198	-	198	4,066
<i>Support for Local Authorities</i>						
M	A Healthy Natural Environment	73,931	-6,638	-	-6,638	67,293

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
Non-Budget					
R A Healthy Natural Environment	495,041	42,474	-	42,474	537,515
S Addressing Environmental Risk and Emergencies	620,234	-2,542	-	-2,542	617,692
T A Thriving Farming and Food Sector	2,204	600	-	600	2,804
V Rural Payments Agency EC Funded	-	214,617	33,917	180,700	180,700
W Championing Sustainable Development	3,063	175	-	175	3,238
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain					
		17,335	-	17,335	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Forestry Commission (England)	56,860	8,454	-	8,454	65,314
B Forestry Commission (GB Core)	18,319	8,881	-	8,881	27,200
Total for Estimate:		657,945	38,637	619,308	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	90,594	-12,609	77,985
Non-Operating A in A	16,947	-11,247	5,700
Net cash requirement	5,236,207	1,037,618	6,273,825

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible									
441,724	5,000,096	1,832,401	7,274,221	1,398,429	5,875,792	75,985	5,700		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	A Healthy Natural Environment								
44,577	766,841	65,675	877,093	61,804	815,289	4,859	-		
B	Sustainable Consumption and Production								
9,041	43,288	44,691	97,020	-	97,020	-	-		
C	Addressing Environmental Risk and Emergencies								
38,512	321,422	39,230	399,164	29,553	369,611	36,111	-		
D	A Thriving Farming and Food Sector								
30,882	86,291	1	117,174	13,272	103,902	1,800	-		
E	Championing Sustainable Development								
2,005	3,750	-	5,755	-	5,755	-	-		
F	Strong Rural Communities								
2,060	24,647	63,298	90,005	30	89,975	1,000	-		
G	A Respected Department								
309,482	-8,379	1,531	302,634	86,449	216,185	5,630	5,700		
H	Rural Payments Agency EC Funded								
-	2,227,914	6,962	2,234,876	4,886	2,229,990	-	-		
I	Rural Payments Agency Running Costs								
-	244,648	2,690	247,338	4,198	243,140	26,585	-		
J	Rural Payments Agency Other								
-	110,500	-	110,500	-	110,500	-	-		
K	Adapting to Climate Change								
3,109	14,091	6,600	23,800	164	23,636	-	-		

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
L	A Sustainable, Secure and Healthy Food Supply								
	2,056	2,010	-	4,066	-	4,066	-	-	-
	<i>Support for Local Authorities</i>								
M	A Healthy Natural Environment								
	-	-	67,293	67,293	-	67,293	-	-	-
N	Sustainable Consumption and Production								
	-	-	118,916	118,916	-	118,916	-	-	-
O	Rural Payments Agency EC Funded								
	-	-	4,868	4,868	-	4,868	-	-	-
P	Area Based Grant: DEFRA								
	-	-	2,997	2,997	-	2,997	-	-	-
	Spending in Annually Managed Expenditure (AME)								
	<i>Central Government spending</i>								
Q	A Healthy Natural Environment								
	-	-35,000	59,300	24,300	-	24,300	-	-	-
	Non-Budget								
R	A Healthy Natural Environment								
	-	-	537,515	537,515	-	537,515	-	-	-
S	Addressing Environmental Risk and Emergencies								
	-	-	617,692	617,692	-	617,692	-	-	-
T	A Thriving Farming and Food Sector								
	-	-	2,804	2,804	-	2,804	-	-	-
U	Strong Rural Communities								
	-	-	6,400	6,400	-	6,400	-	-	-
V	Rural Payments Agency EC Funded								
	-	1,198,073	180,700	1,378,773	1,198,073	180,700	-	-	-
W	Championing Sustainable Development								
	-	-	3,238	3,238	-	3,238	-	-	-

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain								
-	91,714	800	92,514	-	92,514	2,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Forestry Commission (England)							
-	65,314	-	65,314	-	65,314	40	-	
B	Forestry Commission (GB Core)							
-	26,400	800	27,200	-	27,200	1,960	-	
Total for Estimate:								
441,724	5,091,810	1,833,201	7,366,735	1,398,429	5,968,306	77,985	5,700	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,348,998	619,308	5,968,306
Voted capital items			
Capital	90,594	-12,609	77,985
Less Non-operating A-in-A	16,947	-11,247	5,700
Total net voted capital	73,647	-1,362	72,285
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-44,677	-6,382	-51,059
Depreciation	-125,270	9,450	-115,820
New provisions and adjustments to previous provisions	-93,647	-30,000	-123,647
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-180,700	-180,700
Other non-cash items	-12,844	11,635	-1,209
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	585,669	585,669
Use of provisions	90,000	30,000	120,000
Total accruals to cash adjustments	-186,438	419,672	233,234
Excess cash to be CFERd	-	-	-
Net Cash Requirement	5,236,207	1,037,618	6,273,825

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	2,220,263	<i>2,721,891</i>	2,575,744	<i>3,077,372</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	2,220,263	<i>2,721,891</i>	2,575,744	<i>3,077,372</i>

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	304,496
RfR 2	-
Total Net Administration Costs	304,496
Net Programme Costs	
RfR 1	5,390,596
RfR 2	92,514
Non-voted	-2,575,744
Total Net Programme Costs	2,907,366
Total Net Operating Cost	3,211,862
<i>of which:</i>	
Net Resource Requirement	5,968,306
less: Prior period adjustments	-180,700
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-2,575,744
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	2,721,829

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	5,968,306
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-180,700
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-2,575,744
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	3,211,862
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-171,678
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-318,463
Unallocated resource provision	-
Other adjustments	108
Resource Budget (Budget)	2,721,829
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,720,880
Annually Managed Expenditure (AME)	949

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	72,285
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	450,395
Capital grants	171,678
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	500
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-108
Capital Budget (Budget)	694,750
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	694,250
Annually Managed Expenditure (AME)	500

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Helen Ghosh, Accounting Officer and Permanent Head of Department

Request for Resources 2: Tim Rollinson, Director General of the Forestry Commission

Helen Ghosh, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Helen Ghosh is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual (FReM)*, or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	
Administration	137,228
<i>of which:</i>	
Sale of goods and services	137,228
Programme	1,261,201
<i>of which:</i>	
Sale of goods and services	15,606
EU Income	1,210,453
Other grant income (including repayments of grants/subsidies)	5,404
Interest and dividends	29,630
Other income (including receipts)	108
Total RfR 1	1,398,429†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Income from devolved administrations and EC; receipts from sale of carcasses and vaccines; income from levies, licensing, approvals, certification, publications, public inquiries, information, inspections, registrations, supervision and extensification; administration of grant, waste disposal, capital loan schemes; commissioned surveys, research, studies and advice; rental income and repayments; occupancy charge; administrative and professional services; pension and redundancy contributions; knowledge sharing initiatives.</i>	
Total Operating A in A	1,398,429

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

	£'000
	2009-10
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 Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	
Programme	5,700
<i>of which:</i>	
Sale of assets	5,700
Total RfR 1	5,700†
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of surplus land, buildings and other capital assets.</i>	
Total Non-Operating A in A	5,700

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

	£'000	
	2009-10 Income	Provision Receipts
Rural Payments Agency EU Income Φ	2,239,744	2,726,172
Rural Development Programme England Income Φ	336,000	351,200
Total	2,575,744	3,077,372

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	404,844	-392,971	4,405,871	-1,684,991	2,720,880
<i>of which: †</i>					
Administration budget	200	-	304,496	-	304,496
Near-cash in RDEL	389,547	-377,674	4,138,436	-1,752,988	2,385,448
Capital DEL ††	-8,305	38,040	262,071	432,179	694,250
Less Depreciation †††	9,450	-9,450	-115,820	-108,569	-224,389
Total DEL	405,989	-364,381	4,552,122	-1,361,381	3,190,741

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,404,129

Notes to the Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

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

RfR/Section	Service	£'000
RfR1 A-F	Payments for Committees and Tribunals	58

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have adopted International Financial Reporting Standards (IFRS) since the last publication of our Supply Estimate and our accounting policies have been updated to reflect this. Initial investigation has shown that there has been no material impact following implementation.

The Rural Payments Agency have reviewed and revised the accounting policy relating to recognition of the SPS income and expenditure. The new basis of recognising costs as the claims are validated and valued better reflects the substance of RPA's role and function as a claim processing agent. This change in accounting policy has resulted in an increase in the current years' RfR and net cash requirement, and given rise to a Prior Period Adjustment as set out in the Introduction.

Notes to the Estimate (*continued*)
Grants in aid

RfR/Section	Body	£'000
RfR1 - R	Natural England ♦	254,089
RfR1 - U	Commission for Rural Communities ♥	6,400
RfR1 - R & S	Environment Agency ♥	861,616
RfR1 - R	National Forest Company ♥	3,570
RfR1 - R	Royal Botanic Gardens, Kew ♥	28,500
RfR1 - T	Food from Britain ♥	500
RfR1 - R	Joint Nature Conservation Committee ♠	1,920
RfR1 - R	Consumer Council for Water ♥	5,512
RfR1 - T	Gangmasters Licensing Authority ♥	2,304
RfR1 - W	Sustainable Development Commission ♥	3,238

Department for Culture, Media and Sport

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life through cultural and sporting activities			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
M3	Increase in Grant-in-Aid provision for the British Library to fund non-voted Capital DEL	10,000,000	
N3	Increase in Grant-in-Aid provision for the Arts Council England to fund non-voted Capital DEL	9,760,000	
O3	Increase in Grant-in-Aid provision for Sport England to fund non-voted Capital DEL	6,500,000	
P3	Increase in Grant-in-Aid provision for English Heritage to fund non-voted Capital DEL	3,740,000	
<u>Transfer from resource spending to capital spending (not capital grants)</u>			
M3	Transfer provision from Museums, galleries and libraries Grant-in-Aid to reduce voted Capital income		-2,120,000
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
M3:N3	From Museums, galleries and libraries, Grant-in-Aid provision for the Arts council to fund non-voted capital DEL	103,000	-103,000
R3:N3	From Broadcasting, Grant-in-Aid provision for the Arts Council to fund non-voted capital DEL	17,735,000	-17,735,000

Introduction

Transfers to/from non-voted spending

A3:M3	Transfer from non-voted Museums, galleries and libraries to the Wedgewood Museum to assist with their operational and legal costs.	25,000	-25,000
A3:M3	Transfer from non-voted Museums, galleries and libraries to the Weiner Library to assist with their relocation costs	100,000	-100,000
A3:M3	Transfer from non-voted Museums, galleries and libraries to the Jewish Museum to assist with their relocation costs	100,000	-100,000
A3:N3	Transfer from the Wolfson Improvement fund to ACE to meet spending plans	454,000	-454,000
N3:B2	To Arts support to provide funding for successful support budget bids	648,000	-648,000
N3:J2	Reducing allocation to the Participation survey from ACE	88,000	-88,000
P3:J2	Reducing allocation to the Participation survey from English Heritage	24,000	-24,000
M3:J2	Reducing allocation to the Participation survey from Museums, galleries and libraries	24,000	-24,000
O3:J2	Reduced allocation to the Participation survey from Sports	176,000	-176,000
O3:C2	Transfer from other sports support to non-voted Sport budget for Prevent funding	67,000	-67,000

Changes in operating appropriations in aid (fully offset by changes in spending)

B2:B5	Increased income for the Government Art Collection	12,000	-12,000
B2:B5	Increased income from DCSF for Poetry Archive	60,000	-60,000
M3:A5	Increased income from DCSF for "Kids in Museums"	25,000	-25,000
F2:F5	Increased income for the Royal Parks	1,000,000	-1,000,000

Introduction

U3:L5	Decrease in income from CLG and DfT for 2012	51,811,000	-51,811,000
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<u>Totals</u>		101,886,000	-74,006,000
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<u>Total RfR 1</u>			27,880,000
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<u>Total change in resources for Estimate:</u>			27,880,000
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Changes in capital

Section Reason for Change

RfR 1: Improving the quality of life through cultural and sporting activities

Other changes

Transfers from resources to capital

A5	Decrease in voted income following transfer from Museums, galleries and libraries Grant-in-Aid	2,120,000	
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<u>Totals</u>		2,120,000	-
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<u>Total RfR 1</u>			2,120,000
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<u>Total changes in capital for Estimate:</u>			2,120,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £30,000,000.
- Symbols are explained in the Introduction to this booklet.

Department for Culture, Media and Sport

Part I

	£
Request for Resources 1: Improving the quality of life through cultural and sporting activities	27,880,000
Total additional net resource requirement	27,880,000
Additional net cash requirement	30,000,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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, sports and media bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; listed places of worship scheme; promotion of tourism; support to film bodies and projects; the Creative Economy; sponsorship of the music industry; the Welsh Fourth Channel Authority, the Office of Communications and certain broadcasting services, regulatory regimes and schemes; support for alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support delivery of the Olympic Games 2012 and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities

Payments to the British Broadcasting Corporation for broadcasting and other services and activities; 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	
RfR 1: Improving the quality of life through cultural and sporting activities						
		-22,834	-50,714	27,880		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Museums, galleries and libraries	8,202	-229	25	-254	7,948
B	Arts	-4,133	720	72	648	-3,485
C	Sport	5,335	-67	-	-67	5,268
F	The Royal Parks	20,324	1,000	1,000	-	20,324
J	Administration, Research and other surveys	59,222	-312	-	-312	58,910
L	Olympics including OGD receipts for the ODA	-791,200	-	-51,811	51,811	-739,389
Non-Budget						
M	Museums, galleries and libraries	540,372	7,601	-	7,601	547,973
N	Arts	417,024	27,492	-	27,492	444,516
O	Sport	194,197	6,743	-	6,743	200,940
P	Architecture and the Historic Environment	175,698	3,764	-	3,764	179,462
R	Broadcasting and media	154,876	-17,735	-	-17,735	137,141
U	London 2012	1,091,500	-51,811	-	-51,811	1,039,689
Total for Estimate:			-22,834	-50,714	27,880	

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
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Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
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Total Capital Expenditure	4,200	-	4,200
Non-Operating A in A	2,120	-2,120	-
Net cash requirement	5,004,210	30,000	5,034,210

Part II: Revised subhead detail including additional provision

										£'000
Resources							Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating		
1	2	3	4	5	6		7	A in A	8	
RfR 1: Improving the quality of life through cultural and sporting activities										
	57,546	49,408	2,682,035	2,788,989	813,600	1,975,389	4,200		-	
Spending in Departmental Expenditure Limits (DEL)										
<i>Central Government spending</i>										
A	Museums, galleries and libraries	-	306	9,182	9,488	1,540	7,948	-	-	
B	Arts	-	1,478	1,989	3,467	6,952	-3,485	200	-	
C	Sport	-	783	40,327	41,110	35,842	5,268	-	-	
D	Architecture and the Historic Environment	-	1,567	3,829	5,396	14	5,382	-	-	
E	Listed places of worship scheme	-	250	15,000	15,250	-	15,250	-	-	
F	The Royal Parks	-	35,324	-	35,324	15,000	20,324	1,400	-	
G	Tourism	-	-	100	100	-	100	-	-	
H	Broadcasting and media	-	3,943	4,046	7,989	5,326	2,663	-	-	
I	Creative Economy	-	1,500	-	1,500	-	1,500	-	-	
J	Administration, Research and other surveys	57,546	4,257	250	62,053	3,143	58,910	2,600	-	
K	National Lottery Commission	-	-	-	-	5,594	-5,594	-	-	
L	Olympics including OGD receipts for the ODA	-	-	800	800	740,189	-739,389	-	-	
Non-Budget										
M	Museums, galleries and libraries	-	-	547,973	547,973	-	547,973	-	-	
N	Arts	-	-	444,516	444,516	-	444,516	-	-	
O	Sport	-	-	200,940	200,940	-	200,940	-	-	

Part II: Revised subhead detail including additional provision

£'000												
Resources										Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating			
	1	2	3	4	5	6		7	A in A	8		
P	Architecture and the Historic Environment											
	-	-	179,462	179,462	-	179,462		-	-			
Q	Tourism											
	-	-	50,627	50,627	-	50,627		-	-			
R	Broadcasting and media											
	-	-	137,141	137,141	-	137,141		-	-			
S	National Lottery Commission											
	-	-	5,664	5,664	-	5,664		-	-			
T	Gambling, licensing and horseracing											
	-	-	500	500	-	500		-	-			
U	London 2012											
	-	-	1,039,689	1,039,689	-	1,039,689		-	-			
	RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities											
	-	-	3,064,000	3,064,000	-	3,064,000		-	-			
	Non-Budget											
A	Home broadcasting											
	-	-	3,064,000	3,064,000	-	3,064,000		-	-			
Total for Estimate:												
	57,546	49,408	5,746,035	5,852,989	813,600	5,039,389		4,200			-	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,011,509	27,880	5,039,389
Voted capital items			
Capital	4,200	-	4,200
Less Non-operating A-in-A	2,120	-2,120	-
Total net voted capital	2,080	2,120	4,200
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,974	-	-2,974
Depreciation	-6,405	-	-6,405
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-9,379	-	-9,379
Excess cash to be CFERd	-	-	-
Net Cash Requirement	5,004,210	30,000	5,034,210

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	55,133
RfR 2	-
Total Net Administration Costs	<u>55,133</u>
Net Programme Costs	
RfR 1	1,920,256
RfR 2	3,064,000
Non-voted	-
Total Net Programme Costs	<u>4,984,256</u>
Total Net Operating Cost	5,039,389
<i>of which:</i>	
Net Resource Requirement	5,039,389
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	5,656,041

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	5,039,389
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	5,039,389
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-5,322
European Union income related to capital grants	-
Voted expenditure outside the budget	-3,064,000
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	2,793,196
Unallocated resource provision	-
Other adjustments	892,778
Resource Budget (Budget)	5,656,041
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,706,263
Annually Managed Expenditure (AME)	3,949,778

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	4,200
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-4,650
Capital spending by non-departmental public bodies	661,454
Capital grants	5,322
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	987,220
Capital Budget (Budget)	1,653,546
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	543,326
Annually Managed Expenditure (AME)	1,110,220

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Jonathan Stephens, Permanent Head of Department

Request for Resources 2: Jonathan Stephens, Permanent Head of Department

Jonathan Stephens, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Jonathan Stephens is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Improving the quality of life through cultural and sporting activities	
Administration	2,413
<i>of which:</i>	
Sale of goods and services	2,413
Programme	811,187
<i>of which:</i>	
Sale of goods and services	23,188
Other grant income (including repayments of grants/subsidies)	752,999
Other income (including receipts)	35,000
Total RfR 1	813,600†
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs for repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; proceeds from the early release of office leases; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; contributions from the BBC toward the cost of the Digital Britain programme; contributions from other government departments toward the cost of joint schemes; contributions from other government departments toward the costs of the Olympic Delivery Authority; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; recovery of costs and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012</p>	
Total Operating A in A	813,600

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	469	16,957	103,804	1,602,459	1,706,263
<i>of which: †</i>					
Administration budget	-	-	55,133	-	55,133
Near-cash in RDEL	469	-6,895	94,425	1,350,986	1,445,411
Capital DEL ††	53,477	7,949	-730,727	1,274,053	543,326
Less Depreciation †††	-	-252	-6,405	-104,216	-110,621
Total DEL	53,946	24,654	-633,328	2,772,296	2,138,968

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	813,600

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
C3	Chess	60
D3	Chatham Historic Dockyard Trust	300
M3	Geffrye Museum	1,791
M3	Horniman Museum and Gardens	4,566
M3	Museum of Science and Industry in Manchester	4,987
M3	Museums, Libraries and Archives Council	12,764
N3	Arts Council of England	444,516
O3	United Kingdom Anti Doping	3,466
R3	UK Film Council	37,099

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1		
M3	British Museum ♦	48,168
M3	Natural History Museum ♥	51,186
M3	Imperial War Museum ♦	24,163
M3	National Gallery ♥	27,287
M3	National Maritime Museum ♥	19,240
M3	National Museums and Galleries on Merseyside ♥	22,965
M3	National Portrait Gallery ♥	7,744
M3	National Museum of Science & Industry ♥	40,608
M3	Tate Gallery ♥	55,120
M3	Victoria & Albert Museum ♥	44,761
M3	Wallace Collection ♥	4,301
M3	Museum of Science & Industry in Manchester ♠	4,987
M3	Sir John Soane's Museum ♥	1,181
M3	Horniman Museum and Gardens ♠	4,566
M3	Geffrye Museum ♥	1,791
M3	Royal Armouries ♥	8,474
M3	British Library ♥	109,464
M3	Public Lending Right ♥	7,582
M3	Museums, Libraries and Archives Council (MLA) ♥	12,764
N3	Arts Council ♥	444,516
O3	Sport England ♥	136,003
O3	United Kingdom Sports Council ♥	60,210
O3	United Kingdom Anti Doping ♥	3,466
O3	Football Licensing Authority ♥	1,261
P3	English Heritage ♥	130,565
P3	Churches Conservation Trust ♠	3,100
P3	National Heritage Memorial Fund ♥	10,000
P3	Commission for Architecture & the Built Environment ♥	19,690
P3	Royal Household ♠	16,107
Q3	VisitBritain ♥	47,200
R3	UK Film Council ♠	37,099
R3	S4C ♠	100,042
S3	National Lottery Commission ♥	5,664
T3	The Gambling Commission ♥	500
U3	Olympic Delivery Authority ♥	1,039,689

Department for Work and Pensions

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
A5	Administration, Near-Cash An increase in forecast Appropriations in Aid not leading to an equivalent increase in Administrative expenditure		-9,000
<u>Take up of departmental unallocated provision (DUP)</u>			
A1	Administration, Near-Cash Movement of funding from Departmental Unallocated Provision to voted spending	29,184,000	
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A5:A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	166,000	-166,000
<u>Totals</u>		29,350,000	-175,000
Total RfR 1			29,175,000

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Section Reason for Change

Changes related to movements in budgets

DEL Reserve Claims

A1	Administration, Near-Cash DEL Reserve Claim for Employment Programmes	13,000,000	
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Introduction

B2	Other Current, Near-Cash DEL Reserve claim for Employment Programmes	187,050,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
A1	Administration, Near-Cash Transfer to the Department for Children, Schools and Families in respect of The Child Poverty Unit		-110,000
A1	Administration, Near-Cash Transfer to the Department for Children, Schools and Families in respect of Joint birth Registration		-262,000
B2	Other Current, Near-Cash Transfer to the Department for Business Innovation and Skills in respect of Backing Young Britain		-6,381,000
B2	Other Current, Near-Cash Transfer to the Department for Children, Schools and Families in respect of the Child Poverty Unit		-1,500,000
B2	Other Current, Near-Cash Transfer to the Welsh Assembly in respect of the School Gates Project		-395,000
B2	Other Current, Near-Cash Transfer to the Scottish Government in respect of the School Gates Project		-196,000
B2	Other Current, Near-Cash Transfer to the Department for Children, Schools and Families in respect of the School Gates Project		-431,000
B2	Other Current, Near-Cash Transfer to the Department for Children, Schools and Families in respect of Subsidies for Apprenticeships for 16/17 yr olds		-12,500,000
	<u>Changes in Annually Managed Expenditure (AME)</u>		
O2:O5	Other Current, Near-Cash An increase in forecast AME Appropriations in Aid leading to an equivalent increase in Income Support Under 60 expenditure relating to Gateway Protection	946,000	-946,000
P2	Grants, Near-Cash Reduction in Jobseekers Allowance Income Based - Social Assistance Benefit		-476,000,000
P2:P5	Other Current, Near-Cash An increase in forecast AME Appropriations in Aid leading to an equivalent increase in Jobseekers Allowance Income Based expenditure relating to Gateway Protection	83,000	-83,000

Introduction

U2:U5	Other Current, Near-Cash An increase in forecast AME Appropriations in Aid leading to an equivalent increase in Employment Support Allowance Income Based expenditure relating to Gateway Protection	129,000	-129,000
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Other changes

Resource transfers within the Request for Resources

A1	Administration, Near-Cash Adjustment between subhead details resulting from a decrease in near-cash requirement for Health and Safety Executive	4,814,000	
C1	Administration, Near-Cash Adjustment between subhead details resulting from a decrease in near-cash requirement for Health and Safety Executive		-4,814,000
A1	Administration, Non-Cash Adjustment between subhead details resulting from an increase in non-cash requirement for Health and Safety Executive		-70,000
C1	Administration, Non-Cash Adjustment between subhead details resulting from an increase in non-cash requirement for Health and Safety Executive	70,000	
A1	Administration, Near-Cash Adjustment between subhead details resulting from a decrease in near-cash requirement for Health and Safety Laboratory	1,710,000	
D1	Administration, Near-Cash Adjustment between subhead details resulting from a decrease in near-cash requirement for Health and Safety Laboratory		-1,710,000
A1	Administration, Non-Cash Adjustment between subhead details resulting from an increase in non-cash requirement for Health and Safety Laboratory		-1,710,000
D1	Administration, Non-Cash Adjustment between subhead details resulting from an increase from non-cash requirement for Health and Safety Laboratory	1,710,000	
C2	Other Current, Near-Cash Adjustment between subhead details resulting from an increase in Near-cash requirement for Health and Safety Executive	14,823,000	

Introduction

A2	Other Current, Near-Cash Adjustment between subhead details resulting from an increase in Near-cash requirement for Health and Safety Executive	-14,823,000
C2	Other Current, Non-Cash Adjustment between subhead details resulting from an increase in non-cash requirement for Health and Safety Executive	3,290,000
A2	Other Current, Non-Cash Adjustment between subhead details resulting from an increase in non-cash requirement for Health and Safety Executive	-3,290,000
B2	Other Current, Non-Cash Adjustment between subhead details resulting from an increase in non-cash requirement for Health and Safety Executive	-200,000
C2	Other Current, Non-Cash Adjustment between subhead details resulting from an increase in non-cash requirement for Health and Safety Executive	200,000
A1	Administration, Near-Cash Movement of funds form Departmental Unallocated Provision to voted spending	477,551,000
B2	Other Current, Near-Cash Movement of funds form Departmental Unallocated Provision to voted spending <u>Transfers to/from non-voted spending</u>	114,449,000
B3	Grants, Near-Cash Transfer to offset decreased non-voted expenditure forecast by Working Ventures UK	1,143,000
B2	Other Current, Near-Cash Transfer to offset increased non-voted expenditure forecast by The Independent Living Fund	-3,988,000
	<u>Changes in non-budget spending</u>	
AB3	Grants, Near-Cash Decrease in Grant-in-aid to Working Ventures UK	-1,143,000
A2	Other Current, Non-Cash An increase in non-budget non-cash due to loss on disposal of Capital item	33,000
C2	Other Current, Non-Cash An increase in non-budget non-cash due to loss on disposal of Capital item	2,291,000

Introduction

Changes in operating appropriations-in-aid (fully offset by changes in spending)

A5:A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	471,000	-471,000
A5:A2	Other current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	20,971,000	-20,971,000
A5:A3	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grant expenditure.	8,898,000	-8,898,000
C5:C1	Administration, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administrative expenditure.	99,000	-99,000
C5:C2	Other Current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	423,000	-423,000
D5:D1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administration expenditure.	1,400,000	-1,400,000
F5:F3	Grants, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure.	23,625,000	-23,625,000
G5:G3	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure.	118,627,000	-118,627,000
J5:J3	Grants, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure.	20,982,000	-20,982,000
K5:K3	Grants, Near-Cash An decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure.	19,018,000	-19,018,000
	<u>Totals</u>	1,037,806,000	-745,195,000

Total RfR 2

292,611,000

Introduction

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Section Reason for Change

Changes related to movements in budgets

DEL Reserve Claims

A1	Administration, Near Cash Reserve Claim relating to Modernisation	25,000,000
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Changes in operating appropriations-in-aid (not offset by changes in spending)

A5	Other Current, Near-Cash Increase in forecast Appropriations-in-Aid for the Office of the Pensions Ombudsman offset by an increase in non-voted spending	-45,000
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A5	Other Current, Near-Cash Decrease in forecast Appropriations-in-Aid for the Pensions Advisory Service offset by a decrease in non-voted spending	27,000
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A5	Other Current, Near-Cash Increase in forecast Appropriations-in-Aid for the Office of The Pensions Regulator offset by an increase in non-voted spending	-412,000
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Other Changes in DEL Spending

A2	Other Current, Non-Cash Increase in non-cash DEL relating to utilisation of provision	1,305,000
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Changes in Annually Managed Expenditure (AME)

F3	Grants, Near-Cash Increase in Grants to the National Insurance Fund - Social Fund	492,000,000
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Other changes

Resource transfers within the Request for Resources

A2	Grants, Near-Cash Movement from "Grants" funding to "Other Current" funding relating to Better Government for Older People	78,000
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A3	Grants, Near-Cash Movement from "Grants" funding to "Other Current" funding relating to Better Government for Older People	-78,000
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Introduction

A2	Grants, Near-Cash Movement from "Other Current" funding to "Grants" relating to Pensions Protection Fund		-7,716,000
A3	Grants, Near-Cash Movement from "Other Current" funding to "Grants" relating to Pensions Protection Fund	7,716,000	
<u>Transfers to/from non-voted spending</u>			
A2	Other Current, Near-Cash Transfer to offset decreased non-voted expenditure forecast by The Personal Accounts Delivery Authority	3,208,000	
A2	Other Current, Near-Cash Transfer to offset decreased non-voted expenditure forecast by The Pensions Advisory Service	3,000	
A2	Other Current, Near-Cash Transfer to offset increased non-voted expenditure forecast by The Office of the Pensions Ombudsman		-6,000
A2	Other Current, Near-Cash Transfer to offset decreased non-voted expenditure forecast by The Pensions Regulator	768,000	
<u>Changes in non-budget spending</u>			
G3	Grants, Near-Cash Increase in Grant-in-Aid to the Personal Accounts Delivery Authority	64,000	
G3	Grants, Near-Cash Increase in Grant-in-Aid to The Pensions Regulator	412,000	
G3	Grants, Near-Cash Increase in Grant-In-Aid to the Office of The Pensions Ombudsman	45,000	
G3	Grants, Near-Cash Decrease in Grant-in-Aid to the Pensions Advisory Service		-27,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A5:A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	476,000	-476,000

Introduction

A5:A2	Other Current, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure.	42,000	-42,000
	Totals	531,144,000	-8,802,000
Total RfR 3			522,342,000

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Section Reason for Change

Changes related to movements in budgets

Other changes

Changes in non-budget spending

H3	Grants, Near-Cash Increase in Grant-In-Aid to the Independent Living Fund	3,918,000	
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
A5:A1	Administration, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administrative expenditure	7,000	-7,000
A5:A2	Other Current, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure	20,000	-20,000
B5:B3	Grants, Near-Cash A decrease in forecast appropriations in Aid leading to an equivalent decrease in Grant Expenditure	1,000	-1,000
	Totals	3,946,000	-28,000
Total RfR 4			3,918,000

RfR 5: Corporate contracts and support services

Section Reason for Change

Changes related to movements in budgets

DEL Reserve Claims

A1	Administration, Near-Cash DEL Reserve Claim for Modernisation	115,000,000	
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Introduction

Transfers to/from non-voted spending

A1	Administration, Near-Cash Movement of funds from Departmental Unallocated Provision to voted spending	100,000,000	
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Other changes

Changes in non-budget spending

A2	Other Current, Non-Cash A decrease in Other Current non-cash as a result of profit on disposal of a Capital item		-294,000
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

A5:A1	Administration, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administrative expenditure	2,335,000	-2,335,000
A5:A2	Other Current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	1,000	-1,000

<u>Totals</u>		217,336,000	-2,630,000
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<u>Total RfR 5</u>			214,706,000
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<u>Total change in resources for Estimate:</u>	1,819,582,000	-756,830,000	1,062,752,000
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Introduction

Changes in capital

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Section Reason for Change

Other Changes

Transfers within the Estimate

A7	Capital	707,000	
	Adjustment between subhead details resulting in a decrease in Capital requirements for Health and Safety Executive		
C7	Capital		-707,000
	Adjustment between subhead details resulting in a decrease in Capital requirements for Health and Safety Executive		
A7	Capital		-1,500,000
	Adjustment between subhead details resulting in an increase in Capital requirements for Health and Safety Laboratory		
D7	Capital	1,500,000	
	Adjustment between subhead details resulting in an increase in Capital requirements for Health and Safety Laboratory		
	<u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>		
C7:C8	Capital	67,000	-67,000
	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in capital expenditure		
D7:D8	Capital	11,000	-11,000
	A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Capital expenditure		
	<u>Totals</u>	2,285,000	-2,285,000

Total RfR 2

-

Introduction

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Section Reason for Change

Other changes

Transfers to/from non-voted spending

A7	Capital		-517,000
	Transfer to offset increased non-voted Capital expenditure forecast by The Personal Accounts Delivery Authority		
A7	Capital	96,000	
	Transfer to offset decreased non-voted Capital expenditure forecast by The Pension Regulator		
	<u>Change in non-budget spending</u>		
G7	Capital		-599,000
	Decrease of the Loan to the Personal Accounts Delivery Authority		
	<u>Totals</u>	96,000	-1,116,000
Total RfR 3			-1,020,000

RfR 5: Corporate contracts and support services

Section Reason for Change

Other changes

Changes in operating appropriations-in-aid (fully offset by changes in spending)

A7:A8	Capital	294,000	-294,000
	An increase in forecast Appropriations in Aid leading to an equivalent increase in Capital expenditure		
	<u>Totals</u>	294,000	-294,000
Total RfR 5			-
Total changes in capital for Estimate:		2,675,000	-3,695,000
			-1,020,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £1,058,397,000

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

Department for Work and Pensions

Part I

	£
Request for Resources 1: Ensuring the best start for all children and ending child poverty in 20 years	29,175,000
Request for Resources 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	292,611,000
Request for Resources 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	522,342,000
Request for Resources 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	3,918,000
Request for Resources 5: Corporate contracts and support services	214,706,000
Total additional net resource requirement	1,062,752,000
Additional net cash requirement	1,058,397,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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

Child Maintenance and Enforcement Commission; associated central services; and the administration and operating costs of the Department 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

Assessment of entitlement to, calculation and payment of social security benefits to people of working age in accordance with the prevailing legislation and regulations; employment and training programmes, and payments of appropriate allowances, to help people back to work; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; Social Fund loans and grants; temporary subsidies to employers; Grants, Grants in Aid, loans, and other payments through other government departments and to private, public, and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives;

temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity; subsidies to housing, billing, levying and local authorities for administering the Housing Benefit and Council Tax Benefit; rent rebate; rent allowance; Council Tax Benefit; discretionary housing payments; compensation for dust related diseases; the Health and Safety Executive and Health and Safety Laboratory; Employment client group, and Welfare and Wellbeing client group; support of cross-government initiatives related to employment; payments for education;

Part I

training and employment projects assisted by the European Union through the European Social Fund; exchange rate losses/gains on European Social Fund transactions; Programme losses and other losses relating to European Social Fund projects; cost of funding the working capital requirement of the European Social Fund; and refunds to the European Union; the UK subscription to the International Labour Organisation; international educational, training and employment programmes; measures to promote financial inclusion; and the administration and operating costs of the Department and associated non-cash items.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Assessment of entitlement to, calculation and payment of, social security benefits to pensioners and to customers abroad in accordance with the prevailing legislation and regulations; Social Fund loans and grants; costs and payments associated with the collapse of private pension schemes; assist people to make plans for their retirement; research into pensions; private pensions industry regulatory work; programmes and new measures to help improve independence and social inclusion for older people; Grants, Grants in Aid, loans, and payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; payments made to the BBC in respect of over 75s free TV licence scheme; General Levy payments to the Pensions Regulator in respect of Public Sector Pension Schemes; and the administration and operating costs of the Department and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Assessment of entitlement to, calculation and payment of, social security benefits to people with disabilities and their carers in accordance with the prevailing legislation and regulations; Grants, Grant in Aid, loans, and other payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; and the administration and operating costs of the Department and associated non-cash items.

RfR 5: Corporate contracts and support services

Central services; measures to promote financial inclusion; collecting debt arising from overpayments of benefit and on behalf of other public and private sector bodies; payment of Grants to Local Authorities; administration and other operating costs of Directgov; provision of IT, employee and financial services to other public sector bodies; and the administration and operating costs of the Department and associated non-cash items.

The **Department for Work and Pensions** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years						
		29,350	175	29,175		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Child Maintenance and Enforcement Commission	432,132	29,350	175	29,175	461,307
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need						
		380,835	88,224	292,611		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Administration	2,032,342	507,183	30,340	476,843	2,509,185
B	Employment Programmes	1,237,166	277,051	-	277,051	1,514,217
C	Health and Safety Executive	215,159	16,184	324	15,860	231,019
D	Health and Safety Laboratory	1	1,400	1,400	-	1
F	European Social Fund and European Globalisation Fund	1	-23,625	-23,625	-	1
G	European Social Fund payments in advance of receipts	-9,103	118,627	118,627	-	-9,103
<i>Support for Local Authorities</i>						
J	European Social Fund	1	-20,982	-20,982	-	1
K	European Social Fund payments in advance of receipts	1	-19,018	-19,018	-	1
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
O	Income support (under 60 years of age)	7,856,105	946	946	-	7,856,105

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
P Jobseekers allowance (income based)	4,797,218	-475,917	83	-476,000	4,321,218
U Employment and Support Allowance non contributory	1,143,035	129	129	-	1,143,035
Non-Budget					
AB Working Age (Grant-in-Aid)	2,894	-1,143	-	-1,143	1,751
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners					
		523,206	864	522,342	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	159,511	30,712	864	29,848	189,359
Non-Budget					
F Payments to the Social Fund	3,249,753	492,000	-	492,000	3,741,753
G Payments to Executive Non-Departmental Public Bodies	49,315	494	-	494	49,809
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society					
		3,890	-28	3,918	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	182,282	-27	-27	-	182,282
B Motability administration	2,567	-1	-1	-	2,567
Non-Budget					
H Disability Grants in Aid	337,688	3,918	-	3,918	341,606
RfR 5: Corporate contracts and support services					
		212,372	-2,334	214,706	

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
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	944,861	212,372	-2,334	214,706	1,159,567
Total for Estimate:		1,149,653	86,901	1,062,752	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	331,116	-804	330,312
Non-Operating A in A	1,394	216	1,610
Net cash requirement	79,960,139	1,058,397	81,018,536

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A	
1	2	3	4	5	6		7	8	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years									
464,207	-	-	464,207	2,900	461,307		-	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Child Maintenance and Enforcement Commission								
464,207	-	-	464,207	2,900	461,307		-	-	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need									
3,183,841	1,481,564	44,253,264	48,918,669	2,459,124	46,459,545		67,482	292	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration								
2,897,621	148,852	59,956	3,106,429	597,244	2,509,185		54,703	-	
B	Employment Programmes								
-	1,177,673	336,544	1,514,217	-	1,514,217		-	-	
C	Health and Safety Executive								
251,327	78,936	-	330,263	99,244	231,019		9,479	283	
D	Health and Safety Laboratory								
34,893	5,468	-	40,361	40,360	1		3,300	9	
E	Capital Grants								
-	-	7,000	7,000	-	7,000		-	-	
F	European Social Fund and European Globalisation Fund								
-	-	160,001	160,001	160,000	1		-	-	
G	European Social Fund payments in advance of receipts								
-	-12,600	338,496	325,896	334,999	-9,103		-	-	
<i>Support for Local Authorities</i>									
H	Employment Programmes								
-	-	37,047	37,047	-	37,047		-	-	
I	Housing benefit and council tax benefit administration grants								
-	-	578,739	578,739	-	578,739		-	-	
J	European Social Fund								
-	-	10,000	10,000	9,999	1		-	-	
K	European Social Fund payments in advance of receipts								
-	-	30,000	30,000	29,999	1		-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
L	Area Based Grants	-	-	48,000	48,000	-	48,000	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
M	Severe Disablement Allowance	-	335	887,755	888,090	85	888,005	-	-
N	Industrial injury benefits	-	94	880,792	880,886	37,960	842,926	-	-
O	Income support (under 60 years of age)	-	66,756	7,823,182	7,889,938	33,833	7,856,105	-	-
P	Jobseekers allowance (income based)	-	6,376	4,315,418	4,321,794	576	4,321,218	-	-
Q	Jobseekers allowance (contribution based)	-	-	1,114,697	1,114,697	1,114,696	1	-	-
R	Job Grant	-	-	50,762	50,762	-	50,762	-	-
S	Employment allowances	-	-	90,429	90,429	-	90,429	-	-
T	Housing benefit and council tax benefit capital charge	-	3,000	-	3,000	-	3,000	-	-
U	Employment and Support Allowance non contributory	-	-	1,143,164	1,143,164	129	1,143,035	-	-
V	In Work Credit	-	-	101,619	101,619	-	101,619	-	-
W	Return to Work Credit	-	-	60,122	60,122	-	60,122	-	-
<i>Support for Local Authorities</i>									
X	Housing benefit and council tax benefit subsidies	-	-	18,716,423	18,716,423	-	18,716,423	-	-
Y	Rent rebates	-	-	5,572,259	5,572,259	-	5,572,259	-	-
Z	Discretionary housing payments	-	-	20,000	20,000	-	20,000	-	-
Non-Budget									
AA	Statutory benefits (Statutory Sick Pay and Statutory Maternity Pay)	-	-	1,869,108	1,869,108	-	1,869,108	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
AB	Working Age (Grant-in-Aid)	-	-	1,751	1,751	-	1,751	-	-
AC	IFRS Adjustments	-	6,674	-	6,674	-	6,674	-	-
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners									
	480,354	145,410	12,783,470	13,409,234	391,096	13,018,138	45,495	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	480,354	88,614	11,487	580,455	391,096	189,359	5,558	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B	Pension benefits	-	341	82,017	82,358	-	82,358	-	-
C	Income support for the elderly and Pension Credit	-	2,004	8,353,288	8,355,292	-	8,355,292	-	-
D	TV licences for the over 75s	-	-	545,116	545,116	-	545,116	-	-
E	Financial Assistance Scheme	-	54,451	-	54,451	-	54,451	-	-
Non-Budget									
F	Payments to the Social Fund	-	-	3,741,753	3,741,753	-	3,741,753	-	-
G	Payments to Executive Non-Departmental Public Bodies	-	-	49,809	49,809	-	49,809	39,937	-
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society									
	183,157	6,057	18,569,396	18,758,610	32,922	18,725,688	-	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	183,157	46	-	183,203	921	182,282	-	-
B	Motability administration	-	-	2,687	2,687	120	2,567	-	-

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating		
1	2	3	4	5	6	7	A in A		
							8		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
C	Attendance allowance	-	695	5,174,640	5,175,335	2,829	5,172,506	-	-
D	Disability living allowance	-	2,380	11,538,019	11,540,399	29,052	11,511,347	-	-
E	Carer's allowance	-	2,936	1,495,985	1,498,921	-	1,498,921	-	-
F	Vaccine Damage payments	-	-	360	360	-	360	-	-
G	Grants to independent bodies	-	-	16,099	16,099	-	16,099	-	-
Non-Budget									
H	Disability Grants in Aid	-	-	341,606	341,606	-	341,606	-	-
RfR 5: Corporate contracts and support services									
		1,479,759	897,659	11,085	2,388,503	334,416	2,054,087	217,335	1,318
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	1,449,223	33,739	10,000	1,492,962	333,395	1,159,567	193,253	1,318
B	Directgov	30,536	57	-	30,593	1,021	29,572	-	-
C	Local Authority Grants	-	-	1,085	1,085	-	1,085	-	-
Non-Budget									
D	IFRS Adjustments	-	863,863	-	863,863	-	863,863	24,082	-
Total for Estimate:									
		5,791,318	2,530,690	75,617,215	83,939,223	3,220,458	80,718,765	330,312	1,610

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	79,656,013	1,062,752	80,718,765
Voted capital items			
Capital	331,116	-804	330,312
Less Non-operating A-in-A	1,394	216	1,610
Total net voted capital	329,722	-1,020	328,702
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	98,754	-	98,754
Depreciation	-565,373	-	-565,373
New provisions and adjustments to previous provisions	-214,120	-	-214,120
Profit/loss on sale of assets	1,024	-2,030	-1,006
Prior period adjustments	-	-	-
Other non-cash items	-3,000	-	-3,000
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	500,204	-	500,204
Increase (-) / Decrease (+) in creditors	84,679	-	84,679
Use of provisions	72,236	-1,305	70,931
Total accruals to cash adjustments	-25,596	-3,335	-28,931
Excess cash to be CFERd	-	-	-
Net Cash Requirement	79,960,139	1,058,397	81,018,536

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	461,307
RfR 2	3,040,727
RfR 3	478,068
RfR 4	182,282
RfR 5	1,397,699
Non-voted	-
Total Net Administration Costs	5,560,083
Net Programme Costs	
RfR 1	-
RfR 2	41,549,710
RfR 3	8,798,317
RfR 4	18,543,406
RfR 5	656,388
Non-voted	82,637,713
Total Net Programme Costs	152,185,534
Total Net Operating Cost	157,745,617
<i>of which:</i>	
Net Resource Requirement	80,718,765
Non-voted Expenditure	82,642,713
Consolidated Fund Extra Receipts	-5,000
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	157,576,412

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	80,718,765
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	82,642,713
Consolidated Fund Extra Receipts in the OCS	-5,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-5,610,861
Net Operating Cost (Accounts)	157,745,617
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-1,006
Capital grants	-18,605
European Union income related to capital grants	-
Voted expenditure outside the budget	-870,537
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	5,000
Resource consumption of non departmental public bodies	33,519
Unallocated resource provision	-
Other adjustments	682,424
Resource Budget (Budget)	148,576,412
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,123,522
Annually Managed Expenditure (AME)	148,452,890

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	328,702
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	1,229
Capital grants	18,605
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	141,871
Capital Budget (Budget)	490,407
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	284,517
Annually Managed Expenditure (AME)	205,890

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Leigh Lewis, Permanent Head of Department

Request for Resources 2: Leigh Lewis, Permanent Head of Department

Request for Resources 3: Leigh Lewis, Permanent Head of Department

Request for Resources 4: Leigh Lewis, Permanent Head of Department

Request for Resources 5: Leigh Lewis, Permanent Head of Department

Leigh Lewis, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Leigh Lewis is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Administration	2,900
<i>of which:</i>	
Sale of goods and services	2,900
Total RfR 1	2,900†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls and the private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Maintenance and Enforcement Commission; 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; receipts awarded from court cases; and receipts for services carried out on behalf of public and private sector bodies and members of the public.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Administration	143,114
<i>of which:</i>	
Sale of goods and services	143,114
Programme	2,316,010
<i>of which:</i>	
Sale of goods and services	666,317
EU Income	534,997
Other income (including receipts)	1,114,696
Total RfR 2	2,459,124†

† Amount that may be applied as operating 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; receipts from staff for private telephone calls and private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from match funded projects; receipts from Local Authorities for services provided to them, including Neighbourhood Renewal Funds, rent and similar receipts; receipts from outside bodies in respect of partnership working in New Deal for Community areas; Receipts from Working Links; Working Links management fee and dividend; receipts from the European Union for travel expenses and subsistence allowances incurred by staff on European Union business; receipts from partner organisations in respect of action teams; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the Child Maintenance and Enforcement Commission in respect of maintenance payments from absent parents for parents with care who are in receipt of Income Support or Jobseekers Allowance (income based); receipts in respect of the functions of the Health and Safety Executive and Health and Safety Laboratory; receipts for the use of accommodation and rental income; receipts from property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out; receipts from the European Union to meet payments for training and employment projects and the provision of technical assistance through the European Social Fund;

receipts from the European Globalisation Fund; Joint International Unit administration receipts; National Employment Panel receipts; receipts for services carried out on behalf of public and private sector bodies and members of the public; proceeds from crime from Home Office in respect of benefit fraud and organised fraud; recovery from the European Union of the cost of work on European Employment Services and work undertaken on labour market issues in eastern Europe; recovery of excess payments made on Jobcentre Plus employment measures; recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; 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 made by liable relatives; payments from other Government departments; amounts collected through a court order or on a voluntary basis from relatives of income support claimants; repayment of Jobseekers Allowance (contribution based) from the National Insurance Fund;

contributions and recoveries from the European Union of costs of research and projects, legal claims, including awards of court costs and out of court settlements; contribution from Scotland and Wales towards employment programmes and Employment Zones; refunds of advance of salaries of staff, and repayment of loans; and refunds from Local Authorities of Housing Benefit reform Funding.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Administration	2,286
<i>of which:</i>	
Sale of goods and services	2,286
Programme	388,810
<i>of which:</i>	
Sale of goods and services	366,767
Other income (including receipts)	22,043
Total RfR 3	391,096†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering National Insurance benefits, receipts in respect of outward secondments; receipts for levy funded bodies; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the sale of non-capital items; and receipts for services carried out on behalf of public and private sector bodies and members of the public.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Administration	875
<i>of which:</i>	
Sale of goods and services	875
Programme	32,047
<i>of which:</i>	
Sale of goods and services	32,047
Total RfR 4	32,922†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the sale of non-capital items; receipts for services carried out on behalf of public and private sector bodies and members of the public; recoveries of payments towards Motability costs.

RfR 5: Corporate contracts and support services

Administration	82,060
<i>of which:</i>	
Sale of goods and services	82,060
Programme	252,356
<i>of which:</i>	
Sale of goods and services	252,354
Interest and dividends	2
Total RfR 5	334,416†

† Amount that may be applied as operating 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; receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts from sub-let accommodation; receipts from sale of non-capital items; Early Departures pre-funding interest; receipts for services carried out on behalf of public and private sector bodies and members of the public including the provision of IT, employee and financial services to other Government Departments; recovery of law costs from defendants.

Total Operating A in A	3,220,458
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Programme	292
<i>of which:</i>	
Sale of assets	292

Total RfR 2 **292†**

† Amount that may be applied as non-operating appropriations in aid, arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

RfR 5: Corporate contracts and support services

Programme	1,318
<i>of which:</i>	
Sale of assets	1,318

Total RfR 5 **1,318†**

† 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.

Total Non-Operating A in A **1,610**

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	1,041,453	-723,187	6,922,236	2,201,286	9,123,522
<i>of which: †</i>					
Administration budget	759,354	-721,184	5,560,083	682,424	6,242,507
Near-cash in RDEL	1,041,453	-723,187	6,660,506	2,234,712	8,895,218
Capital DEL ††	-421	421	283,288	1,229	284,517
Less Depreciation †††	-	-	-234,194	-1,105	-235,299
Total DEL	1,041,032	-722,766	6,971,330	2,201,410	9,172,740

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	3,222,068

Notes to the Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

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

RfR/Section	Service	£'000
RfR3	Better Government for Older People	72
RfR3	Older People's Advisory Groups	100
RfR3	Change AGEnts	168

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have fully adopted IFRS since the last publication of our Main Supply Estimates, and these standards take effect from 1 April 2009. The adoption of the IFRS led to some alteration in DWP's budgets, as set out in the Introduction to the Winter Supplementary Estimate.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Notes to the Estimate (*continued*)
Grants in aid

RfR/Section	Body	£'000
RfR2	Working Ventures (UK) Limited ♥	1,751
RfR3	The Pensions Regulator ♥	41,487
RfR3	The Pensions Advisory Service ♥	3,579
RfR3	Office of the Pensions Ombudsman ♥	2,971
RfR3	Personal Accounts Delivery Authority ♥	1,772
RfR4	Independent Living Fund ♥	341,606
	Total	<hr/> 393,166

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Remploy Limited	
<p>The Secretary of State for Work and Pensions has given formal guarantee in respect of Remploy Limited, an Executive Non-Departmental Public Body. In the event of Remploy Limited becoming insolvent, the Secretary of State has agreed to pay Remploy Limited a sum equal to any and all of its remaining debts i.e the excess of its liabilities over and above the proceeds from realisation of its assets.</p> <p>In addition to this guarantee over Remploy's net liabilities the Department also guarantees to cover any shortfall in its pension provision. As at 31 March 2008, the net current liabilities of Remploy were £2.0 million with the retirement benefits obligation amounting to £113.8 million.</p>	115,800
Better Government for Older People (BGOP)	
<p>This is an agreement between the Department and the Centre for Policy on Ageing (CPA) to support BGOP in carrying out the functions in their business plan. In addition to the funding the Department provides, we have also agreed to indemnify CPA, the host organisation, against any losses arising from BGOP activity to the sum of £1m in any one year and, as the 'Consortium Agreement' year runs from October to September, £2 million in totality. In addition, the Department is indemnifying CPA who took over the hosting from Help the Aged. CPA are seeking to bring a claim of £180,000 against the Department under the agreement.</p>	2,180
ESF Repayments	
<p>As Managing Authority of the European Social Fund in England the Department has a potential liability in respect of ineligible claims for ESF programmes which operated during 2000-06. A provision for impairment of £38 million is also included in the accounts against additional liabilities which could arise as a direct result of closing the 2000-06 ESF programme. The ESF Audit Authority is required to produce a closure statement for each ESF programme. There is a risk that adverse opinions could result in the European Commission imposing financial corrections. There is also a likelihood of the European Commission imposing financial corrections where ESF has been paid in excess of agreed intervention rates. Because of the complexity of EU regulations governing ESF and the right of the European Commission and European Court of Auditors to carry out audits on the 2000-06 ESF programme in future years there is a possibility that unforeseen ineligible ESF expenditure could be detected which cannot be recovered by DWP.</p> <p>The risk and likely amount of any unforeseen future liabilities cannot be assessed with any degree of certainty.</p> <p>DWP is responsible for managing the entirety of the European Social Fund in England. However DWP also has Co-Financing Status which enables Jobcentre Plus to add value or fund additional places to domestically funded projects. Grant claims are submitted through a local Government Office who have delegated authority to manage the ESF programme at regional level. The grant is based on payments to contracted providers which cannot always be fully recovered. Shortfalls arise if a grant cannot be claimed on expenditure incurred. If this expenditure cannot be recovered from the provider, the shortfall is met by the Department. Because of the timescales involved for deriving any such shortfalls, at the time of producing these accounts, specific amounts cannot be ascertained.</p>	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
<p>Financial Assistance Scheme</p> <p>In December 2007, the Government announced its intention for the Financial Assistance Scheme (FAS) to take over payments of some fully funded pensions and other associated benefits in qualifying schemes and in return, to take the assets of those pension schemes into Government (the FAS Review of Assets, completed in December 2007, estimated the value of these assets to be £1.7 billion).</p> <p>Regulations to give effect to this are planned for Winter 2009. As a result, the liabilities associated with the Financial Assistance Scheme will increase.</p> <p>The assets referred to in this note (i.e. the £1.7 billion) are not noted as contingent assets since the assets when received will not be included in our resource accounts. Rather they will be accounted for in a separate trust statement as we are managing the assets on behalf of wider government (when they are in cash form the Department will be surrendering these to the HMT Consolidated Fund).</p>	Unquantifiable
<p>Health and Safety Executive</p> <p>HSE is currently defending two equal pay cases (Cadman and Wilson). In October 2003, HSE successfully appealed to the Employment Appeal Tribunal against an Employment Tribunal decision in the case of Cadman handed down in July 2002. That appeal was subject to cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice (ECJ). The ECJ judgement was handed down in October 2006, following which the Court of Appeal remitted the case back to the Employment Tribunal for a rehearing. No date has yet been fixed for Cadman to be reheard.</p> <p>Meanwhile, the ‘sister’ case of Wilson which had been stayed before the Employment Appeal Tribunal (EAT) pending the outcome of the Cadman case in the ECJ was remitted to the Employment Tribunal sitting at Shrewsbury. The Employment Tribunal applying the ECJ decision in the Cadman case found in HSE’s favour. Mrs Wilson appealed to the Employment Appeal Tribunal and the EAT found in favour of the appellant.</p> <p>As this has implications for other departments and agencies, HSE lodged a ‘protective’ appeal to allow for cross-Whitehall consideration. Mrs Wilson has subsequently filed a cross appeal. The Court of Appeal considered the case on 17-19 June 2009 and the Court's decision is awaited.</p>	Unquantifiable
<p>Vaccine Damage Payments</p> <p>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.</p> <p>These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. All of the 389 claims received by this deadline were rejected. As they carry appeal rights there is no time limit for requesting a Vaccine Damage Appeal and it can be 10 years or more before they decide to go ahead.</p> <p>It is not currently possible to estimate the value or success of these claims and so no provision has been made in these accounts.</p>	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
<p>Deficiency Notices</p> <p>Each tax year, an exercise is performed to identify customers who have not paid, or been credited with, enough National Insurance contributions to provide entitlement towards State Pension for that year. Those customers of working age who are affected are issued with an invitation (Deficiency Notice), by Her Majesty's Revenue and Customs, to pay contributions on a voluntary basis in order to make up any deficiency. Deficiency Notices were not sent out for the tax years 1996-97 to 2001-02.</p> <p>Between April 2007 and March 2009, The Pension Service contacted pensioner customers affected by the suspension of deficiency notices. Customers who reached State Pension age between 6 April 1998 and 24 October 2004 (inclusive) were invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State Pension or qualify for one for the first time.</p> <p>As at 31 March 2009, State Pension arrears of £87.8 million had been paid out in relation to the pensioner exercise, plus interest of £7.6 million.</p>	Unquantifiable
<p>Employee Assistance Programme</p> <p>The Department has a potential liability in respect of tax on 'legal advice' provided by the Employee Assistance Programme (EAP). This potential liability has arisen as a result of a Statutory Instrument introduced in August 2000. Although 'legal advice' forms a small part of the EAP services the rules state that where any part of an EAP service provides 'legal advice' the whole of that service is liable for tax.</p> <p>The Employee Assistance Professional Association are challenging the HMRC policy and interpretation of 'legal advice' on the basis that it provides clear employer benefit as it is an essential part of the employer's resources for maintaining the well being of its employees. The Department has entered into discussions with HMRC. It is currently not possible to estimate the value of this liability so no provision has been made in these accounts.</p>	Unquantifiable
<p>Transfer of State Pensions and Benefits</p> <p>The Transfer of State Pensions and Benefits Regulations 2007 allow for a person's rights which have accrued by virtue of National Insurance contributions to be transferred to the pension scheme for officials and servants of Community institutions and a transfer payment made accordingly by the Department.</p> <p>There are a number of cases in progress where transfer value have been issued but for which a payment has yet to be made. Consequently, a provision of £2.316 million has been recognised in the accounts (see Note 28c).</p>	2,316
<p>Employment Programmes</p> <p>Judicial review of geographic boundary issues may result in DWP needing to contribute an additional amount to Communities and Local Government to support the Working Neighbourhood Fund. The additional amount will not be known until the process is complete.</p>	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
<p>Lump sum compensation payments in respect of pneumoconiosis and certain other dust related diseases.</p> <p>The Department was accountable for lump sum compensation payments in relation to pneumoconiosis and certain other dust related diseases. Compensation payments due under the Pneumoconiosis etc. (Workers' Compensation) Act 1979 are made through the Workers' Pneumoconiosis Compensation Payments Scheme. This scheme compensates those suffering from certain dust diseases where, at the time of submitting their claim to the scheme, they are unable to claim compensation by way of civil action in the courts. Award of Industrial Injuries Disablement Benefit (IIDB) is a precondition for payments to all sufferers and most dependants under this scheme.</p> <p>Compensation payments due under the Child Maintenance and Other Payments Act 2008 are made through the Mesothelioma Scheme (2008). This scheme was introduced on the 1 October 2008 and compensates sufferers from mesothelioma who are not eligible for help from the Workers' Pneumoconiosis Compensation Payments Scheme. Payments made under this scheme are financed by recovery from civil damages paid to sufferers claiming under both schemes, and the expectation is that the net cost of this scheme to the Department will be nil. The diseases covered by both schemes have a long latency period which makes the number of years over which claims will continue to be made unclear. No reliable estimate of the financial effect can therefore be given.</p>	Unquantifiable
<p>European Court Exportability Judgement – Disability Benefits</p> <p>A decision made on 18 October 2007 by the European Court of Justice means that certain UK disability benefits are to be considered to be sickness benefits and consequently will be paid to some people who leave the UK to live in another European Economic Area (EEA) state or Switzerland providing they meet certain eligibility criteria.</p> <p>These cases are currently being assessed but at present a reliable estimate cannot be made of the potential cost, so a contingent liability has been noted.</p>	Unquantifiable

Government Equalities Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.			
<u>Section</u> <u>Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
A1	Administration, near cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards (IFRS) Accrued Employee benefits (see Note of changes to Accounting Policy).	12,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2:A5	Programme, near cash Increase in gross expenditure on the equality programme, offset by an equivalent increase in appropriations in aid.	80,000	-80,000
<u>Totals</u>		92,000	-80,000
Total RfR 1		12,000	
Total change in resources for Estimate:		12,000	

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £12,000.
3. Symbols are explained in the Introduction to this booklet.

Government Equalities Office

Part I

	£
Request for Resources 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	12,000
Total additional net resource requirement	12,000
Additional net cash requirement	12,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Government Equalities Office on:

RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.

Work on gender and wider equalities policy, grant in aid to the Commission for Equality and Human Rights (CEHR); grants and payments associated with gender and wider equality policy; programme expenditure on the Women's National Commission; the administration costs of the Government Equalities Office; and other associated non-cash costs.

The **Government Equalities Office** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.					
		92	80	12	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	16,806	92	80	12	16,818
Total for Estimate:		92	80	12	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	85,805	12	85,817

Part II: Revised subhead detail including additional provision

							£'000	
Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	8
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.								
9,617	7,331	69,000	85,948	130	85,818	-	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration	9,617	7,331	-	16,948	130	16,818	-	-
Non-Budget								
B Payments to NDPBs	-	-	68,000	68,000	-	68,000	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
C Grants to private sector and charities	-	-	1,000	1,000	-	1,000	-	-
Total for Estimate:								
9,617	7,331	69,000	85,948	130	85,818	-	-	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	85,806	12	85,818
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1	-	-1
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1	-	-1
Excess cash to be CFERd	-	-	-
Net Cash Requirement	85,805	12	85,817

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	9,617
Total Net Administration Costs	<u>9,617</u>
Net Programme Costs	
RfR 1	71,201
Non-voted	-
Total Net Programme Costs	<u>71,201</u>
Total Net Operating Cost	80,818
<i>of which:</i>	
Net Resource Requirement	85,818
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-5,000
Resource Budget	78,778

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	85,818
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-5,000
Other adjustments	-
Net Operating Cost (Accounts)	80,818
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-2,040
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	78,778
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	78,778
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	1,980
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	1,980
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,980
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Jonathan Rees, Permanent Head of Department

Jonathan Rees, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Jonathan Rees is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	
Programme	130
<i>of which:</i>	
Sale of goods and services	130
Total RfR 1	130†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from services provided by the Women's National Commission.</i>	
Total Operating A in A	130

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	12	-	17,818	60,960	78,778
<i>of which: †</i>					
Administration budget	12	-	9,617	-	9,617
Near-cash in RDEL	12	-	17,817	60,651	78,468
Capital DEL ††	-	-	-	1,980	1,980
Less Depreciation †††	-	-	-	-564	-564
Total DEL	12	-	17,818	62,376	80,194

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	130

Notes to the Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

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

RfR/Section	Service	£'000
A	National Equality Panel	220
A	Civil Service Rainbow Alliance	44
A	Equality North East	43
A	British Association for Adoption and Fostering	14

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have fully adopted International Financial Reporting Standards (IFRS) since the publication of our Main Supply Estimate, and these standards take effect from 1 April 2009. The adoption of the IFRS has led to some alteration in GEO's budgets, as set out in the Introduction to this Supplementary Estimate.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Notes to the Estimate (*continued*)**Grants in aid**

RfR/Section	Body	£'000
RfR1 - B	Equality and Human Rights Commission ♥	68,000

Northern Ireland Office

Introduction

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

Amount (£)
Increases Reductions

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

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

A2	Other current - Central Administration - additional resources to supplement CSR 07 baseline.	4,358,000
C2	Other current - Political Directorate - additional resources to supplement CSR 07 baseline.	14,658,000
D2	Other current - Public Prosecution Service - additional resources to supplement CSR 07 baseline.	3,447,000
F2	Other current - Criminal Justice Directorate - additional resources to supplement CSR 07 baseline.	4,927,000
I2	Other current - Policing - Non Severance - additional resources to supplement CSR 07 baseline.	1,253,000
J2	Other current - Northern Ireland Prison Service - additional resources to supplement CSR 07 baseline.	8,028,000
G3	Grants - Compensation Agency - additional resources to supplement CSR 07 baseline.	9,738,000
H3	Grants - Policing and Security Directorate - additional resources to supplement CSR 07 baseline.	956,000
I3	Grants - Policing - Non Severance - additional resources to supplement CSR 07 baseline.	107,000

Transfers of budgetary cover to/from other government departments

H2	Other current - Policing and Security Directorate - budget transfer to Health and Safety Executive, Northern Ireland to cover staff costs.	-36,000
A1	Administration - Central Administration - budget transfer from Department of Finance and Personnel, Northern Ireland for accommodation costs.	315,000

Introduction

A1	Administration - Central Administration - budget transfer from Cabinet Office for the Office of the Parliamentary Counsel's charges for 2009-10.	98,000	
J1	Administration - Northern Ireland Prison Service - budget transfer to Department of Health, Social Services and Public Safety, Northern Ireland for healthcare costs.		-50,000
H2	Other current - Policing and Security Directorate - budget transfer from Ordnance Survey Northern Ireland for mapping services.	520,000	

Other changes in DEL spending

A2	Other current - increase in Central Administration to cover additional depreciation for the implementation of IFRS.	500,000	
J2	Other current - increase in Northern Ireland Prison Service to cover additional depreciation for the implementation of IFRS.	500,000	

Changes in Annually Managed Expenditure (AME)

V2	New AME cost for the impairment of property, plant and equipment for Youth Justice Agency.	2,000,000	
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Other changes

Resource transfers within the Request for Resources

G3, F3	Reallocation of Grants to Compensation Agency from Criminal Justice Directorate.	21,000	-21,000
C1, A1	Reallocation of administration to Political Directorate from Central Administration.	1,448,000	-1,448,000
F1, A1	Reallocation of administration to Criminal Justice Directorate from Central Administration.	20,000	-20,000
L1, A1	Reallocation of administration to Bloody Sunday Inquiry from Central Administration.	275,000	-275,000
J2, B1	Reallocation to Northern Ireland Prison Service other current from Ministers administration.	328,000	-328,000
J2, D1	Reallocation to Northern Ireland Prison Service other current from Public Prosecution Service administration.	300,000	-300,000
J2, F1	Reallocation to Northern Ireland Prison Service other current from Criminal Justice Directorate administration.	177,000	-177,000
J2, H1	Reallocation to Northern Ireland Prison Service other current from Policing and Security Directorate administration.	255,000	-255,000
J2, J1	Reallocation to Northern Ireland Prison Service other current from Northern Ireland Prison Service administration.	1,550,000	-1,550,000
J2, H2	Reallocation of other current to Northern Ireland Prison Service from Policing and Security Directorate.	838,000	-838,000
L2, G2	Reallocation of other current to Bloody Sunday Inquiry from Compensation Agency.	303,000	-303,000
L2, K2	Reallocation of other current to Bloody Sunday Inquiry from Youth Justice Agency.	44,000	-44,000
A2, E2	Reallocation of other current to Central Administration from Forensic Science Northern Ireland.	204,000	-204,000
L2, E2	Reallocation of other current to Bloody Sunday Inquiry from Forensic Science Northern Ireland.	77,000	-77,000

Introduction

Transfers to/from non-voted spending

A2	Transfer to Central Administration other current resources from non-voted resource.	20,500,000	
F2	Transfer from Criminal Justice Directorate other current resources to non-voted resource spend (to cover the IFRS treatment for a PFI contract).		-3,200,000

Increases in non-budget spending

M3	Grants - Police - increase in cash grant required.	53,513,000	
N3	Grants - Police Pensions - decrease in cash grant required.		-2,544,000
O3	Grants - Police Ombudsman for Northern Ireland - decrease in cash grant required.		-279,000
P3	Grants - Probation Board for Northern Ireland - increase in cash grant required.	3,029,000	
Q3	Grants - Northern Ireland Policing Board - decrease in cash grant required.		-56,000
R3	Grants - Northern Ireland Human Rights Commission - increase in cash grant required.	110,000	
S3	Grants - Criminal Justice Inspectorate - decrease in cash grant required.		-50,000
U2	Other current - Increase in Criminal Justice Directorate to cover the IFRS treatment for a PFI contract.	3,770,000	

Changes in operating appropriations in aid (fully offset by changes in spending)

H5, A5	Reallocation of administration receipts to Policing & Security Directorate from Central Administration.	26,000	-26,000
F5, C5	Reallocation of other current receipts to Criminal Justice Directorate from Political Directorate.	5,000	-5,000
G5, C5	Reallocation of other current receipts to Compensation Agency from Political Directorate.	130,000	-130,000
H5, C5	Reallocation of other current receipts to Policing & Security Directorate from Political Directorate.	327,000	-327,000
A1, A5	Increase in administration for Central Administration offset by an increase in administration receipts for Central Administration.	267,000	-267,000
C2, C5	Increase in other current for Political Directorate offset by an increase in other current receipts for Political Directorate.	13,000	-13,000
D2, D5	Increase in other current for Public Prosecution Service offset by an increase in other current receipts for Public Prosecution Service.	359,000	-359,000
E2, E5	Increase in other current for Forensic Science Northern Ireland offset by an increase in other current receipts for Forensic Science Northern Ireland.	766,000	-766,000

Totals **140,060,000** **-13,948,000**

Total RfR 1 **126,112,000**

Introduction

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.

Section Reason for Change

Other changes

Increases in non-budget spending

A3	Grants - Northern Ireland Consolidated Fund - increase in cash grant required.	566,000,000	
	Totals	566,000,000	-
Total RfR 2			566,000,000
Total change in resources for Estimate:			692,112,000

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

Resource transfers within the request for resources

A7, G7	Reallocation of capital to Central Administration from Compensation Agency.	850,000	-850,000
A7, J7	Reallocation of capital to Central Administration from Northern Ireland Prison Service.	1,650,000	-1,650,000
C7, J7	Reallocation of capital to Political Directorate from Northern Ireland Prison Service.	520,000	-520,000
D7, J7	Reallocation of capital to Public Prosecution Service from Northern Ireland Prison Service.	1,136,000	-1,136,000
E7, J7	Reallocation of capital to Forensic Science Northern Ireland from Northern Ireland Prison Service.	117,000	-117,000
F7, J7	Reallocation of capital to Criminal Justice Directorate from Northern Ireland Prison Service.	577,000	-577,000

Introduction

Other changes

Transfers to/from non-voted spending

A7	Transfer to Central Administration from non voted capital spend.	12,288,000	
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Changes in non-operating appropriations in aid (fully offset by changes in spending)

C7, C8	Increase in capital for Political Directorate offset by an increase in Political Directorate non operating receipts.	40,000	-40,000
F7, C8	Increase in capital for Criminal Justice Directorate offset by an increase in Political Directorate non operating receipts.	42,000	-42,000
F7, K8	Increase in capital for Criminal Justice Directorate offset by an increase in Youth Justice Agency non operating receipts.	212,000	-212,000
H7, K8	Increase in capital for Policing and Security Directorate offset by an increase in Youth Justice Agency non operating receipts.	92,000	-92,000
K7, K8	Increase in capital for Youth Justice Agency offset by an increase in Youth Justice Agency non operating receipts.	446,000	-446,000

Totals

17,970,000 -5,682,000

Total RfR 1

12,288,000

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £659,735,000.
-
- Symbols are explained in the Introduction to this booklet.

Northern Ireland Office

Part I

	£
Request for Resources 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	126,112,000
Request for Resources 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.	566,000,000
Total additional net resource requirement	692,112,000
Additional net cash requirement	659,735,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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 (including all associated non-cash items):

Head of State related costs and VIP visits to NI, Reviews and Commissions arising from the Good Friday Agreement (incl NI Human Rights Commission), political development & inquiries, victims and legacy issues of the Troubles and the Bloody Sunday Inquiry, costs arising from elections.

Criminal Justice including juvenile justice services, probation & aftercare, state pathology, forensic services, programmes to enhance community safety and services related to crime, crown prosecutions, other legal services and the Northern Ireland Law Commission, compensation schemes.

Policing and security including the Police Service of Northern Ireland, policing non-severance, police pensions, Police Ombudsman for Northern Ireland, Northern Ireland Policing Board, payments to associated bodies promoting policing and security issues, ACCESS NI.

Prisons including the Prison Service Trust and the Prisoner Ombudsman.

Central administrative services, costs of the Northern Ireland Act 1998 and the Northern Ireland Act 2000.

European Union peace and reconciliation projects and certain other grants.

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

Resources

£'000						
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending						
		127,517	1,405	126,112		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Central Administration	30,461	24,499	293	24,206	54,667
B	Ministers	2,736	-328	-	-328	2,408
C	Political Directorate	21,552	16,119	475	15,644	37,196
D	Department of the Director of Public Prosecutions	31,258	3,506	359	3,147	34,405
E	Forensic Science Northern Ireland	1,748	485	766	-281	1,467
F	Criminal Justice	22,250	1,549	-5	1,554	23,804
G	Compensation Agency	11,548	9,456	-130	9,586	21,134
H	Policing & Security	13,432	347	-353	700	14,132
I	Policing-Non Severance	2,100	1,360	-	1,360	3,460
J	Northern Ireland Prison Service	131,383	10,376	-	10,376	141,759
K	Youth Justice Agency	21,746	-44	-	-44	21,702
L	Bloody Sunday	2,654	699	-	699	3,353
Non-Budget						
M	Police	788,758	53,513	-	53,513	842,271

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
N	Police Pensions	123,207	-2,544	-	-2,544	120,663
O	Police Ombudsman for Northern Ireland	9,319	-279	-	-279	9,040
P	Probation Board for Northern Ireland	16,706	3,029	-	3,029	19,735
Q	Northern Ireland Policing Board	8,757	-56	-	-56	8,701
R	Northern Ireland Human Rights Commission	1,557	110	-	110	1,667
S	Criminal Justice Inspectorate	1,491	-50	-	-50	1,441
Non-Budget						
U	Criminal Justice	-	3,770	-	3,770	3,770
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
V	Youth Justice Agency	-	2,000	-	2,000	2,000
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.						
			566,000	-	566,000	
Non-Budget						
A	Grants to the Northern Ireland Consolidated Fund	12,261,000	566,000	-	566,000	12,827,000
Total for Estimate:			693,517	1,405	692,112	

Capital and Cash

		£'000		
		Present Provision	Changes in Provision	New Provision
Total Capital Expenditure		25,892	13,120	39,012
Non-Operating A in A		1,654	832	2,486
Net cash requirement		13,566,434	659,735	14,226,169

Part II: Revised subhead detail including additional provision

		Resources					Capital		
		Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
		1	2	3	4	5	6	7	8
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending									
		75,795	283,514	1,032,052	1,391,361	22,356	1,369,005	39,012	2,486
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Central Administration	31,410	26,868	-	58,278	3,611	54,667	19,068	1,654
B	Ministers	2,408	-	-	2,408	-	2,408	-	-
C	Political Directorate	15,422	22,548	-	37,970	774	37,196	630	82
D	Department of the Director of Public Prosecutions	2,220	32,623	-	34,843	438	34,405	1,935	-
E	Forensic Science Northern Ireland	-	11,846	-	11,846	10,379	1,467	589	-
F	Criminal Justice	4,987	15,860	3,466	24,313	509	23,804	1,791	-
G	Compensation Agency	-	2,122	19,182	21,304	170	21,134	160	-
H	Policing & Security	5,295	9,506	3,310	18,111	3,979	14,132	146	-
I	Policing-Non Severance	-	1,403	2,057	3,460	-	3,460	-	-
J	Northern Ireland Prison Service	13,674	130,142	289	144,105	2,346	141,759	13,557	-
K	Youth Justice Agency	-	21,852	-	21,852	150	21,702	1,136	750
L	Bloody Sunday	379	2,974	-	3,353	-	3,353	-	-
Non-Budget									
M	Police	-	-	842,271	842,271	-	842,271	-	-
N	Police Pensions	-	-	120,663	120,663	-	120,663	-	-

Part II: Revised subhead detail including additional provision

										£'000	
Resources										Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A		
	1	2	3	4	5	6		7	8		
O	Police Ombudsman for Northern Ireland	-	-	9,040	9,040	-	9,040	-	-	-	
P	Probation Board for Northern Ireland	-	-	19,735	19,735	-	19,735	-	-	-	
Q	Northern Ireland Policing Board	-	-	8,701	8,701	-	8,701	-	-	-	
R	Northern Ireland Human Rights Commission	-	-	1,667	1,667	-	1,667	-	-	-	
S	Criminal Justice Inspectorate	-	-	1,441	1,441	-	1,441	-	-	-	
Spending in Annually Managed Expenditure (AME)											
<i>Central Government spending</i>											
T	Central Administration	-	-	230	230	-	230	-	-	-	
Non-Budget											
U	Criminal Justice	-	3,770	-	3,770	-	3,770	-	-	-	
Spending in Annually Managed Expenditure (AME)											
<i>Central Government spending</i>											
V	Youth Justice Agency	-	2,000	-	2,000	-	2,000	-	-	-	
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.											
		-	-	12,827,001	12,827,001	-	12,827,001	-	-	-	
Non-Budget											
A	Grants to the Northern Ireland Consolidated Fund	-	-	12,827,000	12,827,000	-	12,827,000	-	-	-	
B	European Institutions (Net)	-	-	1	1	-	1	-	-	-	
Total for Estimate:											
		75,795	283,514	13,859,053	14,218,362	22,356	14,196,006	39,012	2,486		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	13,503,894	692,112	14,196,006
Voted capital items			
Capital	25,892	13,120	39,012
Less Non-operating A-in-A	1,654	832	2,486
Total net voted capital	24,238	12,288	36,526
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-11,069	184	-10,885
Depreciation	-19,249	-32,163	-51,412
New provisions and adjustments to previous provisions	-13,346	-10,343	-23,689
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-498	-12	-510
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	30,000	10,000	40,000
Increase (-) / Decrease (+) in creditors	1,592	-	1,592
Use of provisions	50,872	-12,331	38,541
Total accruals to cash adjustments	38,302	-44,665	-6,363
Excess cash to be CFERd	-	-	-
Net Cash Requirement	13,566,434	659,735	14,226,169

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	71,679
RfR 2	-
Total Net Administration Costs	71,679
Net Programme Costs	
RfR 1	1,297,326
RfR 2	12,827,001
Non-voted	-
Total Net Programme Costs	14,124,327
Total Net Operating Cost	14,196,006
<i>of which:</i>	
Net Resource Requirement	14,196,006
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	1,670,419

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	14,196,006
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	14,196,006
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-12,830,771
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	298,984
Unallocated resource provision	-
Other adjustments	6,200
Resource Budget (Budget)	1,670,419
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,379,644
Annually Managed Expenditure (AME)	290,775

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	36,526
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	40,177
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	76,703
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	76,703
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Sir Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Request for Resources 2: Sir Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Sir Jonathan Phillips, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Jonathan Phillips is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Administration	4,116
<i>of which:</i>	
Sale of goods and services	4,116
Programme	18,240
<i>of which:</i>	
Sale of goods and services	18,240

Total RfR 1	22,356†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Recoupment of electoral expenses, receipts from the use of video conferencing facilities, certain pension contributions, receipts from accruing superannuation liability charges, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts, recovery of compensation paid, recoupment of grant funding, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the crown, receipts arising from arms decommissioning, receipts arising from firearms licences, proceeds of prison occupational services, contributions to community programmes from health and voluntary sectors, tuck shop receipts, receipts from providing criminal history checks and fees & costs recovered or received for the use of the NIO estate.

Total Operating A in A	22,356
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	2,486
<i>of which:</i>	
Sale of assets	2,486

Total RfR 1	2,486†
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† Amount that may be applied as non-operating appropriations in aid, arising from: Receipts from the sale of residential properties, surplus IT, office equipment, catering equipment and surplus stores.

Total Non-Operating A in A	2,486
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	66,619	123,563	359,487	1,020,157	1,379,644
<i>of which: †</i>					
Administration budget	-2,247	-	71,679	-	71,679
Near-cash in RDEL	28,217	72,962	277,153	793,141	1,070,294
Capital DEL ††	12,288	-12,288	36,526	40,177	76,703
Less Depreciation †††	-28,240	-61	-47,489	-41,235	-88,724
Total DEL	50,667	111,214	348,524	1,019,099	1,367,623

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	24,842

Notes to the Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

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

RfR/Section	Service	£'000
RfR1 - Section J	Prison Service Trust	289

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Northern Ireland Office has fully adopted IFRS since the last publication of our Main Supply Estimates, and these standards took effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

HM Treasury

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
A	Take up of Administration EYF of £3,200,000 (near cash) and £2,500,000 (near cash) programme EYF to fund a range of planned activities within Section A in connection with financial stability workload and the Money Guidance project.	5,700,000	
<u>Transfers to/from central funds</u>			
	Take up of £3,700,000 administration costs provision from the Modernisation Fund to cover spending on the Fast Forward IT project.	3,700,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
	A reduction in AME provision of £2,188,000 for Employee Benefits under IFRS due to the reclassification of the spending to DEL		-2,188,000
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A	Transfers of £500,000 administration costs from RfR 3 Section A and £2,000,000 programme DEL from RfR 2 Section A to fund increased workload pressures mainly arising from financial stability.	2,500,000	
<u>Resource transfers within the Request for Resources</u>			
B	Transfer from Section A of £3,226,000 administration costs to fund increased workload in connection with financial stability and £2,757,000 programme DEL to fund increased spending due to the volatile and market driven nature of the DMO's activities.	5,983,000	-5,983,000

Introduction

C	Transfer from Section A of £1,379,000 administration and £252,000 programme DEL to reflect additions to OGC's remit and changes in the cost base since the publication of 'Transforming Government Procurement'.	1,631,000	-1,631,000
F	A transfer from Section A of £860,000 administration DEL to cover the forecast of the movement in employee benefits for 2009-10.	860,000	-860,000

Changes in operating appropriations in aid (fully offset by changes in spending)

A	An increase in Section A of £59,115,000 spending matched by income to cover the costs of work on financial stability.	59,115,000	-59,115,000
B	A reduction in appropriations in aid of £378,000 offset by a matching transfer from Section A.	378,000	-378,000
C	An increase of £5,982,000 in gross spending offset by a matching increase in appropriations in aid arising from increased sales of products and recoveries from other government departments.	5,982,000	-5,982,000

<u>Totals</u>		85,849,000	-76,137,000
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<u>Total RfR 1</u>			9,712,000
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RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Section Reason for Change

Other changes

Resource transfers to/from another Request for Resources

A	Transfer of £2,000,000 programme DEL to RfR 1 Section A from the coinage manufacturing budget from a forecast underspend.		-2,000,000
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<u>Totals</u>		-	-2,000,000
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<u>Total RfR 2</u>			-2,000,000
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Introduction

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

C	An increase in cost of capital charge on financial investments of £500,000,000.	500,000,000	
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Changes in operating appropriations in aid (not offset by changes in spending)

F	An increase of £11,730,000 in administration costs spending to cover the operating costs of the Asset Protection Agency, offset by income of 11,729,000	11,730,000	-11,729,000
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Other changes

Resource transfers to/from another Request for Resources

A	A transfer of £500,000 administration costs to RfR 1 Section A from a forecast underspend.		-500,000
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<u>Totals</u>		511,730,000	-12,229,000
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Total RfR 3			499,501,000
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Total change in resources for Estimate:			507,213,000
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Introduction

Changes in capital

Section Reason for Change

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Changes in non-operating appropriations in aid (offset by changes in spending)

D	An increase in spending and receipts to cover the sale of preference and the purchase of ordinary shares in RBS and LBG which took place earlier in the financial year.	7,068,700,000	-7,068,700,000
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<u>Totals</u>		7,068,700,000	-7,068,700,000
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<u>Total RfR 3</u>			-
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<u>Total changes in capital for Estimate:</u>			-
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £7,213,000.
- Symbols are explained in the Introduction to this booklet.

HM Treasury

Part I

	£
Request for Resources 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all †	9,712,000
Request for Resources 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage †	-2,000,000
Request for Resources 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers	499,501,000
Total additional net resource requirement	507,213,000
Additional net cash requirement	7,213,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the HM Treasury on:

RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all

Economic, financial and related administration, including group shared services; expenses in connection with honours and dignities; expenditure of the Debt Management Office, including administration of the Public Works Loan Board, the Commission for the Reduction of National Debt and operational services for HM Treasury, other government departments and the Bank of England; administration and other related expenditure of the Office of Government Commerce, including management and disposal of the surplus civil estate and cost of capital charges on the investment in Buying Solutions; expenditure on a pilot scheme in connection with the provision of generic financial advice; payments under an indemnity guarantee in respect of Paymaster; expenditure on administration of Treasury related bodies; compensation payments arising from gilt administration; cost of capital charges on the Treasury's investment in the Bank of England; payments to other government departments; 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: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Payments in respect of costs related to investment in and financial assistance to financial institutions; operational costs associated with financial stability interventions including costs of UK Financial Investments Limited and the Asset Protection Agency; and associated non-cash items

The **HM Treasury** will account for this Estimate.

† The reduction in net resources of £2,000,000 in RfR 2 is offset by a reallocation of resources to RfR 1.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all						
		82,261	72,549	9,712		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Core Treasury and group shared services	151,040	70,371	66,945	3,426	154,466
B	Debt Management Office	10,395	5,605	-378	5,983	16,378
C	Office of Government Commerce	24,993	7,613	5,982	1,631	26,624
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
E	Employee Benefits (IFRS)	2,188	-2,188	-	-2,188	-
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
F	Employee Benefits (IFRS)	-	860	-	860	860
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage						
		-2,000	-	-2,000		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	UK coinage: manufacturing costs	18,000	-2,000	-	-2,000	16,000
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers						
		511,230	11,729	499,501		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	United Kingdom Financial Investments Limited	5,350	-500	-	-500	4,850
		596				

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
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
C Cost of capital charge on financial investments	1,500,000	500,000	-	500,000	2,000,000
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
F Asset Protection Agency	-	11,730	11,729	1	1
Total for Estimate:		591,491	84,278	507,213	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	52,277,800	7,068,700	59,346,500
Non-Operating A in A	-	7,068,700	7,068,700
Net cash requirement	53,044,681	7,213	53,051,894

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all								
268,980	19,973	161,300	450,253	91,925	358,328	4,800	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Core Treasury and group shared services							
219,203	11,626	-	230,829	76,363	154,466	3,800	-	
B	Debt Management Office							
14,821	6,037	-	20,858	4,480	16,378	1,000	-	
C	Office of Government Commerce							
34,096	2,310	1,300	37,706	11,082	26,624	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
D	Investment in Bank of England							
-	-	160,000	160,000	-	160,000	-	-	
<i>Central Government spending</i>								
E	Employee Benefits (IFRS)							
-	-	-	-	-	-	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
F	Employee Benefits (IFRS)							
860	-	-	860	-	860	-	-	
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage								
-	45,700	2,800	48,500	-	48,500	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	UK coinage: manufacturing costs							
-	16,000	-	16,000	-	16,000	-	-	
B	Cost of capital charge on coinage stock - manufacturing element							
-	125	-	125	-	125	-	-	
Spending in Annually Managed Expenditure (AME)								

Part II: Revised subhead detail including additional provision

		Resources					Capital		
		Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
		1	2	3	4	5	6	7	8
£'000									
Central Government spending									
C	UK coinage: investment in the Royal Mint	-	-	2,800	2,800	-	2,800	-	-
D	UK coinage: metal costs	-	29,400	-	29,400	-	29,400	-	-
E	Cost of Capital charge on coinage stock - metal costs	-	175	-	175	-	175	-	-
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers									
		16,580	2,000,000	-	2,016,580	11,729	2,004,851	59,341,700	7,068,700
Spending in Departmental Expenditure Limits (DEL)									
Central Government spending									
A	United Kingdom Financial Investments Limited	4,850	-	-	4,850	-	4,850	-	-
B	Infrastructure Finance Unit	-	-	-	-	-	-	150,000	-
Spending in Annually Managed Expenditure (AME)									
Central Government spending									
C	Cost of capital charge on financial investments	-	2,000,000	-	2,000,000	-	2,000,000	-	-
D	Assistance to financial institutions	-	-	-	-	-	-	44,191,700	7,068,700
E	Refinancing of Northern Rock	-	-	-	-	-	-	15,000,000	-
Spending in Departmental Expenditure Limits (DEL)									
Central Government spending									
F	Asset Protection Agency	11,730	-	-	11,730	11,729	1	-	-
Total for Estimate:									
		285,560	2,065,673	164,100	2,515,333	103,654	2,411,679	59,346,500	7,068,700

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	1,904,466	507,213	2,411,679
Voted capital items			
Capital	52,277,800	7,068,700	59,346,500
Less Non-operating A-in-A	-	7,068,700	7,068,700
Total net voted capital	52,277,800	-	52,277,800
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-1,663,825	-500,000	-2,163,825
Depreciation	-7,915	-	-7,915
New provisions and adjustments to previous provisions	-860	-	-860
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	535,075	-	535,075
Total accruals to cash adjustments	-1,137,585	-500,000	-1,637,585
Excess cash to be CFERd	-	-	-
Net Cash Requirement	53,044,681	7,213	53,051,894

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	4,414,250	<i>4,437,250</i>	6,814,250	<i>7,337,250</i>
Non-operating income not classified as A in A	-	-	3,600,000	<i>3,600,000</i>
Other amounts collectable on behalf of the Consolidated Fund	1,341	<i>1,341</i>	1,341	<i>1,341</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	4,415,591	<i>4,438,591</i>	10,415,591	<i>10,938,591</i>

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	181,725
RfR 2	-
RfR 3	4,851
Total Net Administration Costs	186,576
Net Programme Costs	
RfR 1	176,603
RfR 2	48,500
RfR 3	2,000,000
Non-voted	-6,799,605
Total Net Programme Costs	-4,574,502
Total Net Operating Cost	-4,387,926
<i>of which:</i>	
Net Resource Requirement	2,411,679
Non-voted Expenditure	14,645
Consolidated Fund Extra Receipts	-6,814,250
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	-4,877,142

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	2,411,679
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	14,645
Consolidated Fund Extra Receipts in the OCS	-6,814,250
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	-4,387,926
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	25,659
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-514,875
Resource Budget (Budget)	-4,877,142
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	240,148
Annually Managed Expenditure (AME)	-5,117,290

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	52,277,800
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-3,600,000
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	2,142
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	524,475
Capital Budget (Budget)	49,204,417
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	156,942
Annually Managed Expenditure (AME)	49,047,475

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1:	Nicholas Macpherson, Permanent Head of Department
Request for Resources 2:	Nicholas Macpherson, Permanent Head of Department
Request for Resources 3:	Nicholas Macpherson, Permanent Head of the Department

Nick Macpherson, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Nick Macpherson is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all	
Administration	87,255
<i>of which:</i>	
Sale of goods and services	87,255
Programme	4,670
<i>of which:</i>	
Sale of goods and services	3,370
Interest and dividends	1,300
Total RfR 1	91,925†

† Amount that may be applied as operating 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 other 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 charges 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, rentals in respect of operating leases, the management and administration of certain public and private funds and provision of a lending service to local authorities, income from the administration of carbon dioxide reduction schemes and the Gilt Purchase and Sale Service; administration of Pool Re and other related bodies; European Fast Stream income from the Cabinet Office; amounts arising from the sale of shares and debt; income from products, consultancy and other customer services, letting of vacant property, and the Buying Solutions dividend.

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Administration	11,729
<i>of which:</i>	
Sale of goods and services	11,729
Total RfR 3	11,729†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from financial institutions, including fees, charges and reimbursements

Total Operating A in A	103,654
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Programme	7,068,700
<i>of which:</i>	
Loan, etc, repayments	7,068,700
Total RfR 3	7,068,700†

† Amount that may be applied as non-operating appropriations in aid, arising from: loan repayments and sale of shares and other investments

Total Non-Operating A in A	7,068,700
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Notes to the Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

	£'000	
	2009-10 Provision Income	Receipts
Fixed investments Δ	414,250	437,250
Fees and interest from financial institutions Δ	6,400,000	6,900,000
Sale of investments Δ	3,600,000	3,600,000
Civil List Φ	1,341	1,341
Total	10,415,591	10,938,591

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	9,401	-	219,304	20,844	240,148
<i>of which: †</i>					
Administration budget	6,431	-	186,576	-	186,576
Near-cash in RDEL	9,401	-	209,619	31,444	241,063
Capital DEL ††	-	-	154,800	2,142	156,942
Less Depreciation †††	-	-	-7,915	-	-7,915
Total DEL	9,401	-	366,189	22,986	389,175

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	7,172,354

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
HM Treasury has announced guarantee arrangements with effect from 1 January 2010 in respect of retail and wholesale deposits transferred to Northern Rock plc pursuant to the restructuring of the bank. (Treasury Minute dated 25 January 2010)	Up to 9,000,000
HM Treasury has announced replacement guarantee arrangements with effect from 1 January 2010 to continue to safeguard certain borrowings and derivative transactions of, and certain wholesale deposits held in accounts with Northern Rock (Asset Management) plc, in each case existing immediately after the transfer became effective on 1 January 2010 and which will not be transferred pursuant to the restructuring of the bank. (Treasury Minute dated 25 January 2010).	Up to £18,000,000
The Treasury has put in place guarantee arrangements to safeguard certain wholesale borrowings and deposits with Bradford & Bingley (29 September 2008 letters to Chair of PAC and TSC and Treasury minute of 30 March 2009).	7,000,000
HM Treasury has indemnified a scheme (Special Liquidity Scheme) to allow banks to swap temporarily their high quality mortgage-backed and other securities for Treasury Bills. Payment under the indemnity would only arise if the capital losses exceed any surplus accruing to the Bank of England over the duration of the scheme.	Up to 185,000,000
On 19 January 2009, HM Treasury authorised the Bank of England to purchase high quality private sector assets and UK Government debt purchased on the secondary market. The Government has indemnified the Bank of England and the fund specially created to implement the facility from any losses arising out of or in connection with the facility. (Letter to Treasury Select Committee 19 January 2009 and letter of 3 March to Governor of the Bank of England and Treasury Minute dated 9 November 2009)	Up to 200,000,000
Contingent Liabilities related to the Asset Protection Scheme	
To provide certainty and confidence to banks in their lending, the Government announced its intention to offer capital and asset protection on those assets most affected by the current economic conditions. This will reduce banks' uncertainty about the value of past investments, so providing them with greater confidence to lend in the future to creditworthy businesses, homeowners and consumers. RBS has indicated that assets of £282bn will be covered by the scheme. Maximum exposure to HM Treasury is estimated at £199bn. (Letter to Treasury Select Committee 19 January 2009 and Treasury Minute dated 3 November 2009).	Up to 163,600,000
To ensure RBS is adequately capitalised under the Financial Services Authority's stress tests, the Treasury will also make available £8bn of contingent capital to RBS, in return for a premium of 4 per cent per annum. This commitment will be in place for 5 years, and can be ended by the firm with the consent of the Financial Services Authority. The contingent capital would, if drawn down, be injected in tranches in the form of B-shares, should the core tier one capital ratio of RBS fall below 5%. The fee may be satisfied in cash, or B-shares or deferred tax assets.	8,000,000

Contingent liabilities

Nature of Liability	£'000
Other Contingent Liabilities	
HM Treasury has confirmed to the FSA its intention to take appropriate steps (should they prove necessary) to ensure that Northern Rock (Asset Management) plc will continue to operate above the minimum regulatory capital requirements (Treasury Minute dated 25 January 2010).	Up to £1,600,000
HM Treasury has guaranteed indemnities provided by Northern Rock plc and Northern Rock (Asset Management) plc for its new directors against liabilities and losses in the course of their actions whilst both entities are in public ownership (Treasury Minute dated 25 January 2010).	Unquantifiable
HM Treasury has guaranteed indemnities provided by United Kingdom Financial Investments for its new directors against liabilities and losses incurred in the course of their actions.	Unquantifiable
HM Treasury has made available guarantees to back banks' new short and medium term debt. They will be made available for terms of up to 36 months to help refinance maturing wholesale funding obligations as they fall due. (Treasury Minute 8 October 2008).	Up to 250,000,000
HM Treasury committed to provide capital to certain banks through the Government's Bank Recapitalisation Fund. In addition to the £37 billion which has now been invested, the Government has committed to make capital available to smaller institutions, should they need it. (Treasury statements dated 8 and 13 October 2008).	Up to 13,000,000
HM Treasury has confirmed to the FSA its intention to take appropriate steps (should they prove necessary) to ensure that Bradford & Bingley will continue to operate above the minimum regulatory capital requirements (Treasury Minute dated 2 June 2009).	Unquantifiable
HM Treasury has guaranteed indemnities provided by Bradford & Bingley for its new directors against liabilities and losses in the course of their actions. (Treasury Minute dated 2 June 2009)	Unquantifiable
HM Treasury has guaranteed indemnities provided by Infrastructure Finance Unit Limited for its new directors against liabilities and losses incurred in the course of their actions.	Unquantifiable
In January 2009, the Government undertook to establish a fair ex gratia payment scheme for those Equitable Life policyholders who have suffered a disproportionate impact as a result of relevant maladministration. The Government has commissioned Rt. Hon Sir John Chadwick to advise the Government on matters relevant to the relative losses and disproportionate impact suffered by current and former Equitable Life policyholders. The Government expects Sir John to deliver his final advice in Spring 2010. With the benefit of Sir John's advice, and taking account of the position of the public finances and the need to ensure practicality of delivery, the Government will introduce the fair ex gratia payment scheme discussed above. However, at this stage, the future cost arising from the scheme is considered unquantifiable. (The Prudential Regulation of the Equitable Life Assurance Society: the Government's response to the Parliamentary Ombudsman's Investigation – January 2009)	Unquantifiable

Contingent liabilities

Nature of Liability	£'000
Under the Dunfermline Building Society Compensation Scheme, Resolution Fund and Third Party Compensation Order 2009 the Treasury is required to appoint an Appointment Panel, which is responsible for appointing an independent valuer to perform the functions referred to in article 4 of that Order. The Panel is also responsible for removing the independent valuer from office on the ground of incapacity or serious misconduct. The Treasury has indemnified members of the Appointment Panel against any and all claims, losses, damages and liabilities incurred by Panel members in connection with or arising from their membership of the Panel and the performance of the Panel's functions.(Treasury Minute dated 2 November 2009)	Unquantifiable
An indemnity similar to those given to civil servants under the Civil Service Management Code has been given to the members of the board of Royal Mint Limited for the period between 16 July 2009 and 31 December 2009. The indemnity remains in place for one director who is a civil servant	Unquantifiable
Statutory	
In accordance with section 5 of the Banking (Special Provisions) Act 2008 a Compensation Scheme has been established by the Northern Rock plc Compensation Scheme Order 2008. Under the Scheme an independent valuer will be appointed to assess what compensation, if any, is payable to former shareholders and others in accordance with valuation assumptions set out in the Act and the Compensation Scheme Order.	Unquantifiable
In accordance with section 5 of the Banking (Special Provisions) Act 2008 a Compensation Scheme has been established by the Bradford & Bingley plc Compensation Scheme Order 2008. Under the Scheme an independent valuer will be appointed to assess what compensation, if any, is payable to former shareholders and others in accordance with valuation assumptions set out in the Act and the Compensation Scheme Order.	Unquantifiable
On 7 July 2009 the Dunfermline Building Society Compensation Scheme, Resolution Fund and Third Party Compensation Order 2009 ("the Order") came into force. Under the Order HM Treasury is liable to pay to specified third parties any amount of compensation determined to be payable by the independent valuer appointed to perform the functions referred to in article 4 of that Order. (Treasury Minute dated 4 June 2009)	Unquantifiable
1 Contingent liabilities have been included in this category where the liability would be limited by recourse to assets if it were to crystallise. The amounts shown above are gross of any such offset. Contingent liabilities with recourse to equities have not been included	

HM Revenue and Customs

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

A2	Increase in programme near cash in accordance with the Public Expenditure Outturn White Paper Cm 7606 to fund expenditure on the Glover Portal.	1,000,000
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Transfers to/from central funds

A1	Draw down from the Modernisation Fund of admin near cash to support costs for various programmes delivering modernisation and transformation across the Department.	65,741,000
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Transfers of budgetary cover to/from other government departments

A1	Transfer of admin near cash from the Office of Parliamentary Counsel to cover counsel fees for pages of legislation.	1,574,000
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A1	Transfer of admin near cash from the Northern Ireland Executive in respect of aggregates levy work.	379,000
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Other changes in DEL spending

A1	Net increase to effect changes under International Financial Reporting Standards (IFRS) where assets are on HMRC's balance sheet in Estimates, Accounts and Budgets (£2,963,000 in admin non-cash and -£166,000 from admin near cash)	2,797,000
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Changes in Annually Managed Expenditure (AME)

C2	To remove accrued employee benefits funding following revised forecasts and the decision to account for them within DEL.	2,000,000
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Introduction

Other changes

Transfers to/from non-voted spending

A1	Transfer from voted admin near cash to non-voted DEL to effect changes under IFRS where assets are on HMRC's balance sheet in Estimates and Accounts but are off balance sheet in Budgets.		-46,285,000
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Increases in non-budget spending

E2	Increase in voted programme non-budget funds to effect changes under IFRS where assets are on HMRC's balance sheet in Estimates and Accounts but are off balance sheet in Budgets.	115,415,000	
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Changes in operating appropriations in aid (fully offset by changes in spending)

A1, A5	To record increased levels of near cash administration costs and income.	47,045,000	-47,045,000
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Totals

235,951,000 -93,330,000

Total RfR 1

142,621,000

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Section Reason for Change

Other changes

Increases in non-budget spending

C2	Token increase in voted admin non-budget funds to allow for changes under IFRS where assets are on HMRC's balance sheet in Estimates and Accounts but are off balance sheet in Budgets.	1,000	
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Changes in operating appropriations in aid (fully offset by changes in spending)

A1, A5	Increased income and expenditure due to increased business from commercial services	2,334,000	-2,334,000
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Totals

2,335,000 -2,334,000

Total RfR 2

1,000

Introduction

RfR 3: Providing payments in lieu of tax relief to certain bodies

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

A3	Increase in respect of transitional relief to charities for lost income resulting from changes in the basic rate of tax.	7,000,000	
A3	Increase in respect of payments in lieu of Mortgage Interest Relief at Source	500,000	
A3	Increase in respect of payments in lieu of Life Assurance Premium Relief	200,000	
	<u>Totals</u>	7,700,000	-
Total RfR 3			7,700,000

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

A2	Increase in respect of the payment of local authority rates on behalf of foreign embassies.	500,000	
	<u>Totals</u>	500,000	-
Total RfR 4			500,000

RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

A3	Increase in Child Benefits due mainly to higher than expected numbers of 16 – 19 year olds staying in Full Time education	65,000,000	
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Introduction

B3	Increase in Child Trust Fund due mainly to the impact of the further endowments being awarded for children reaching age 7.	27,000,000	
	Totals	92,000,000	-
Total RfR 5			92,000,000
Total change in resources for Estimate:			242,822,000

Changes in capital

Section Reason for Change

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Other changes

Changes in non-budget spending

E7, E8	Increase in voted non-budget funds to effect changes under IFRS where assets are on HMRC's balance sheet in Estimates and Accounts but are off balance sheet in Budgets.	27,507,000	
	Totals	27,507,000	-
Total RfR 1			27,507,000
Total changes in capital for Estimate:			27,507,000

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £212,951,000.
- Symbols are explained in the Introduction to this booklet.

HM Revenue and Customs

Part I

	£
Request for Resources 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	142,621,000
Request for Resources 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.	1,000
Request for Resources 3: Providing payments in lieu of tax relief to certain bodies	7,700,000
Request for Resources 4: Making payments of rates to Local Authorities on behalf of certain bodies	500,000
Request for Resources 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments	92,000,000
Total additional net resource requirement	242,822,000
Additional net cash requirement	212,951,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the HM Revenue and Customs on:

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

administration and the associated non-cash items incurred in the management and collection of the direct and indirect taxes, duties and levies, new tax credits and National Insurance Contributions; Child Benefit and the Child Trust Fund, Shipbuilders' Relief, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; OPG and government banking services; Airplane Tax; Health in Pregnancy Grant; Saving Gateway; National minimum wage; collection of student loans; the operation of customs controls including prohibitions and restrictions; the provision of trade information;

the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of the Customs National Museum; grants to the voluntary and community sector; providing the business link portal; air travel carbon-offsetting; services to support the Welfare Reform Agenda; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies including any assistance with investigations into terrorist incidents, and overseas tax administration and the activity in support of the UK Border Agency.

Part I

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

administration and the associated non-cash items 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, personal pensions, life assurance premium relief and residual payments for mortgage interest relief; and associated non-cash items.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by Her Majesty's Revenue and Customs in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations and associated non-cash items.

RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments

payments of Child Benefit, Health in Pregnancy Grant, Child Trust Fund and the associated non-cash items.

The **HM Revenue and Customs** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: 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					
		189,666	47,045	142,621	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	3,677,852	72,251	47,045	25,206	3,703,058
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
C Other administration costs in AME	-1,999	2,000	-	2,000	1
Non-Budget					
E IFRS items outside Budget*	-	115,415	-	115,415	115,415
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.					
		2,335	2,334	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	-1	2,334	2,334	-	-1
Non-Budget					
C IFRS items outside budgets*	-	1	-	1	1
RfR 3: Providing payments in lieu of tax relief to certain bodies					
		7,700	-	7,700	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Payments in lieu of tax relief	155,300	7,700	-	7,700	163,000

Part II: Changes proposed

Resources

£'000						
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies						
		500	-	500		
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
A	Payments of Local Authority rates	32,900	500	-	500	33,400
RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments						
		92,000	-	92,000		
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
A	Children's benefits	11,900,000	65,000	-	65,000	11,965,000
B	Child Trust Fund Endowments	380,000	27,000	-	27,000	407,000
Total for Estimate:		292,201	49,379	242,822		

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	245,476	27,507	272,983
Non-Operating A in A	3,843	-	3,843
Net cash requirement	16,353,379	212,951	16,566,330

* This increase in non-budget spending due to the adoption of IFRS is offset by reductions in Departmental Expenditure Limit (DEL) spending contained in other parts of the Estimate. The offsetting reductions may not be visible in this table, but further information is included in the Introduction to the Estimate.

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6		7	8
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements								
4,129,885	259,194	110,435	4,499,514	571,039	3,928,475		257,612	3,681
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
4,129,885	140,278	435	4,270,598	567,540	3,703,058		230,105	3,681
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B e-filing incentive payments								
-	-	110,000	110,000	-	110,000		-	-
C Other administration costs in AME								
-	1	-	1	-	1		-	-
Non-Budget								
D Operational local clearance procedures								
-	3,500	-	3,500	3,499	1		-	-
E IFRS items outside Budget								
-	115,415	-	115,415	-	115,415		27,507	-
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.								
230,109	3	-	230,112	230,110	2		15,371	162
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
230,109	-	-	230,109	230,110	-1		15,371	162
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Administration								
-	2	-	2	-	2		-	-

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A	
1	2	3	4	5	6		7	8	
Non-Budget									
C	IFRS items outside budgets	-	1	-	1	-	1	-	-
RfR 3: Providing payments in lieu of tax relief to certain bodies									
	-	-	163,000	163,000	-	163,000	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Payments in lieu of tax relief	-	163,000	163,000	-	163,000	-	-	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies									
	-	35,500	-	35,500	2,100	33,400	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Payments of Local Authority rates	-	35,500	-	35,500	2,100	33,400	-	-
RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments									
	-	-	12,517,000	12,517,000	-	12,517,000	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Children's benefits	-	11,965,000	11,965,000	-	11,965,000	-	-	
B	Child Trust Fund Endowments	-	407,000	407,000	-	407,000	-	-	
C	Health in Pregnancy Grant	-	145,000	145,000	-	145,000	-	-	
Total for Estimate:									
	4,359,994	294,697	12,790,435	17,445,126	803,249	16,641,877	272,983	3,843	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	16,399,055	242,822	16,641,877
Voted capital items			
Capital	245,476	27,507	272,983
Less Non-operating A-in-A	3,843	-	3,843
Total net voted capital	241,633	27,507	269,140
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-35,301	-	-35,301
Depreciation	-206,974	-118,378	-325,352
New provisions and adjustments to previous provisions	-76,882	-107,000	-183,882
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-2,300	-	-2,300
Increase (+) / Decrease (-) in stock	-	4,000	4,000
Increase (+) / Decrease (-) in debtors	-	16,000	16,000
Increase (-) / Decrease (+) in creditors	-	68,000	68,000
Use of provisions	34,148	80,000	114,148
Total accruals to cash adjustments	-287,309	-57,378	-344,687
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,353,379	212,951	16,566,330

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000			
	Present Provision Income	New Provision <i>Receipts</i>	New Provision Income	New Provision <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	400,000	<i>350,000</i>	300,000	<i>250,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	400,000	<i>350,000</i>	300,000	<i>250,000</i>

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	3,982,093
RfR 2	-1
RfR 3	-
RfR 4	-
RfR 5	-
Total Net Administration Costs	3,982,092
Net Programme Costs	
RfR 1	-53,618
RfR 2	3
RfR 3	163,000
RfR 4	33,400
RfR 5	12,517,000
Non-voted	-
Total Net Programme Costs	12,659,785
Total Net Operating Cost	16,641,877
<i>of which:</i>	
Net Resource Requirement	16,641,877
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	37,920,575

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	16,641,877
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	16,641,877
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-300,000
European Union income related to capital grants	-
Voted expenditure outside the budget	-115,417
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	21,694,115
Resource Budget (Budget)	37,920,575
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,100,680
Annually Managed Expenditure (AME)	33,819,895

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	269,140
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	300,000
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	52,493
Capital Budget (Budget)	621,633
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	241,633
Annually Managed Expenditure (AME)	380,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1:	Mike Eland, Director General, HM Revenue and Customs
Request for Resources 2:	Penny Ciniewicz, Chief Executive of the Valuation Office Agency
Request for Resources 3:	David Hartnett, Permanent Secretary for Tax, HM Revenue and Customs
Request for Resources 4:	Penny Ciniewicz, Chief Executive of the Valuation Office Agency
Request for Resources 5:	Mike Eland, Director General, HM Revenue and Customs

Lesley Strathie, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Lesley Strathie is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Administration	147,792
<i>of which:</i>	
Sale of goods and services	129,033
Regulatory licences, fines, penalties and taxes	18,759
Programme	423,247
<i>of which:</i>	
Sale of goods and services	423,112
Regulatory licences, fines, penalties and taxes	135

Total RfR 1	571,039†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of the 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 including student loan, Welfare Reform Agenda and National Minimum Wage receipts; recovery of costs in respect of the Aggregates levy and of seconded and loan staff; charges for the special attendance of officers; and for international commitments; receipts from the sale of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; receipts from the Asset Recovery Incentivisation scheme; and marine fuel relief, transaction fees from credit card payments; fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; subscription fees relating to Business link; and other miscellaneous administration and programme cost receipts.

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Administration	230,110
<i>of which:</i>	
Sale of goods and services	230,110

Total RfR 2	230,110†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of costs of valuation and other services; receipts from the use of certain official cars; receipts from the sale of information and publications; recovery of law costs; rent receipts from other government departments and private tenants; receipts in connection with preparation for the transfer of function from The Rent Service; other administration cost receipts.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

Programme	2,100
<i>of which:</i>	
Sale of goods and services	2,100

Total RfR 4	2,100†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities.

Total Operating A in A	803,249
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Programme	3,681
<i>of which:</i>	
Sale of assets	3,681

Total RfR 1	3,681†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets and from the sale of land and buildings.

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Programme	162
<i>of which:</i>	
Sale of assets	162

Total RfR 2	162†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of assets.

Total Non-Operating A in A	3,843
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Notes to the Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

	£'000	
	2009-10 Provision Income	Receipts
Fines and penalties ●	264,000	220,000
Proceeds, less duty, on sale of seized goods ●	3,750	3,570
Other miscellaneous receipts ●	32,250	26,430
Total	300,000	250,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	25,206	46,286	3,703,057	397,623	4,100,680
<i>of which: †</i>					
Administration budget	24,206	46,286	3,982,092	46,286	4,028,378
Near-cash in RDEL	22,243	46,286	3,378,640	431,771	3,810,411
Capital DEL ††	-	-	241,633	-	241,633
Less Depreciation †††	-2,963	-	-209,934	-	-209,934
Total DEL	22,243	46,286	3,734,756	397,623	4,132,379

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	807,092

Notes to the Estimate (*continued*)

Changes in Accounting Policies

This Supplementary Estimate reflects the full adoption of International Financial Reporting Standards (IFRS) with effect from 1st April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

National Savings and Investments

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
A2	Increase to short term employment benefits under IAS 19	150,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
B2	Employment benefits under IAS 19 transferred from AME to DEL		-130,000
<u>Totals</u>		150,000	-130,000
Total RfR 1			20,000
Total change in resources for Estimate:			20,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £20,000.
3. Symbols are explained in the Introduction to this booklet.

National Savings and Investments

Part I

	£
Request for Resources 1: Reducing the costs to the taxpayer of government borrowing now and in the future	20,000
Total additional net resource requirement	20,000
Additional net cash requirement	20,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the 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.

The **National Savings and Investments** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future					
		20	-	20	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	183,599	150	-	150	183,749
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
B Administration	7,930	-130	-	-130	7,800
Total for Estimate:		20	-	20	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	3,176	-	3,176
Non-Operating A in A	-	-	-
Net cash requirement	184,010	20	184,030

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future									
189,845	7,800	-	197,645	6,096	191,549	3,176	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration									
189,845	-	-	189,845	6,096	183,749	3,176	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B Administration									
-	7,800	-	7,800	-	7,800	-	-		
Total for Estimate:									
189,845	7,800	-	197,645	6,096	191,549	3,176	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	191,529	20	191,549
Voted capital items			
Capital	3,176	-	3,176
Less Non-operating A-in-A	-	-	-
Total net voted capital	3,176	-	3,176
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-1,630	-	-1,630
Depreciation	-10,015	-	-10,015
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-650	-	-650
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-400	-	-400
Increase (-) / Decrease (+) in creditors	2,000	-	2,000
Use of provisions	-	-	-
Total accruals to cash adjustments	-10,695	-	-10,695
Excess cash to be CFERd	-	-	-
Net Cash Requirement	184,010	20	184,030

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	183,749
Total Net Administration Costs	<u>183,749</u>
Net Programme Costs	
RfR 1	7,800
Non-voted	-
Total Net Programme Costs	<u>7,800</u>
Total Net Operating Cost	191,549
<i>of which:</i>	
Net Resource Requirement	191,549
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	191,549

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	191,549
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	191,549
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	191,549
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	183,749
Annually Managed Expenditure (AME)	7,800

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	3,176
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	3,176
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,176
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Jane Platt, Permanent Head of the Department

Jane Platt, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Jane Platt is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
<hr/>	
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	
Administration	6,096
<i>of which:</i>	
Sale of goods and services	6,096
<hr/>	
Total RfR 1	6,096†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: rent receipts, loss recovery payments</i>	
<hr/>	
Total Operating A in A	6,096

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	17,000	58,391	111,300	169,691
<i>of which:†</i>					
Administration budget	-2,000	-	-574	-	-574
Near-cash in RDEL	-	17,000	40,451	110,800	151,251
Capital DEL††	-	-	6,000	-	6,000
Less Depreciation†††	-	-	-10,694	-441	-11,135
Total DEL	-	17,000	53,697	110,859	164,556

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	27,000

The Statistics Board

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
A2	Take up of End-Year Flexibility (EYF) of £630,000 as set out in the Public Expenditure Outturn White Paper (Cm 7606)	630,000	
<u>Take up of Departmental Unallocated Provision</u>			
A2	Full draw down of Department Unallocated Provision to meet in year pressures.	6,000,000	
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2, A5	To increase level of appropriation in aid receipts by £15,656,000 in respect of the recovery of costs on shared projects and surveys from other government departments, matched by increased operating costs expenditure of £15,656,000.	15,656,000	-15,656,000
<u>Totals</u>		22,286,000	-15,656,000
Total RfR 1		6,630,000	
Total change in resources for Estimate:		6,630,000	

Introduction

Changes in capital

Section Reason for Change

RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good

Other changes

Changes in non-operating appropriations in aid (not offset by changes in spending)

A8	To take into account the sale of assets at the year-end	-15,000
	<u>Totals</u>	-15,000

Total RfR 1	-15,000
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Total changes in capital for Estimate:	-15,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £6,615,000.
- Symbols are explained in the Introduction to this booklet.

The Statistics Board

Part I

	£
Request for Resources 1: To promote and safeguard the production and publication of official statistics that serve the public good	6,630,000
Total additional net resource requirement	6,630,000
Additional net cash requirement	6,615,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by The Statistics Board on:

RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good

Collection, preparation and dissemination of economic, social, labour market and other statistics; promote and safeguard the quality of official statistics, to monitor the production and publication of official statistics; to prepare and publish a Code of Practice for Statistics; to prepare and publish a programme for the assessment of existing and candidate National Statistics against the Code; and associated non-cash costs.

The Statistics Board will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good					
		22,286	15,656	6,630	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	206,246	22,286	15,656	6,630	212,876
Total for Estimate:		22,286	15,656	6,630	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	15,000	-	15,000
Non-Operating A in A	-	15	15
Net cash requirement	201,246	6,615	207,861

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good									
-	247,876	-	247,876	35,000	212,876	15,000	15		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration	-	247,876	-	247,876	35,000	212,876	15,000	15	
Total for Estimate:									
-	247,876	-	247,876	35,000	212,876	15,000	15		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	206,246	6,630	212,876
Voted capital items			
Capital	15,000	-	15,000
Less Non-operating A-in-A	-	15	15
Total net voted capital	15,000	-15	14,985
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,925	-	-2,925
Depreciation	-18,000	-	-18,000
New provisions and adjustments to previous provisions	-3,000	-10,000	-13,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-75	-	-75
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	4,000	10,000	14,000
Total accruals to cash adjustments	-20,000	-	-20,000
Excess cash to be CFERd	-	-	-
Net Cash Requirement	201,246	6,615	207,861

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	212,876
Non-voted	-
Total Net Programme Costs	<u>212,876</u>
Total Net Operating Cost	212,876
<i>of which:</i>	
Net Resource Requirement	212,876
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	212,876

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	212,876
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	212,876
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	212,876
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	212,876
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	14,985
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	14,985
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	14,985
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Jil Matheson, Chief Executive of the Statistics Board

Jil Matheson, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Jil Matheson is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good	
Programme	35,000
<i>of which:</i>	
Sale of goods and services	34,374
EU Income	626
Total RfR 1	35,000†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sale of statistical information publications and other services to other departments, the European Union and the public.</i>	
Total Operating A in A	35,000

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

	£'000
	2009-10
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good	
Programme	15
<i>of which:</i>	
Sale of assets	15
Total RfR 1	15†
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of surplus assets.</i>	
Total Non-Operating A in A	15

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	6,630	-6,000	212,876	-	212,876
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	-3,370	4,000	178,876	14,000	192,876
Capital DEL ††	-15	-	14,985	-	14,985
Less Depreciation †††	-	-	-18,000	-	-18,000
Total DEL	6,615	-6,000	209,861	-	209,861

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	35,015

Government Actuary's Department

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Providing an actuarial consultancy service

Section Reason for Change

Changes related to movements in budgets

Changes in operating appropriations in aid (fully offset by changes in spending)

A1/A5	Increased administration spending offset by increased administration income due to GAD responding to an increase in demand for actuarial advice by undertaking an internal restructuring programme which included a significant increase in fee earning staff.	2,665,000	-2,665,000
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	<u>Token increases</u>		
A1	Token increase to enable increase in appropriations in aid to be voted by Parliament	1,000	

	<u>Totals</u>	2,666,000	-2,665,000
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Total RfR 1	1,000
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Total change in resources for Estimate:	1,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £433,000.
3. Symbols are explained in the Introduction to this booklet.

Government Actuary's Department

Part I

	£
Request for Resources 1: Providing an actuarial consultancy service	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	433,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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 on a wide range of areas including employer sponsored pension arrangements and other employee benefits, social security, health care, financing arrangements, risk management, strategic investment, asset / liability consideration, pensions and insurance regulation and other non-cash items.

The **Government Actuary's Department** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Providing an actuarial consultancy service		2,666	2,665	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	542	2,666	2,665	1	543
Total for Estimate:		2,666	2,665	1	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	217	-	217
Non-Operating A in A	-	-	-
Net cash requirement	272	433	705

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Providing an actuarial consultancy service									
15,705	46	-	15,751	15,162	589	217	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration									
15,705	-	-	15,705	15,162	543	217	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B Losses on Revaluation of Fixed Assets									
-	46	-	46	-	46	-	-		
Total for Estimate:									
15,705	46	-	15,751	15,162	589	217	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	588	1	589
Voted capital items			
Capital	217	-	217
Less Non-operating A-in-A	-	-	-
Total net voted capital	217	-	217
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-103	-	-103
Depreciation	-402	21	-381
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-35	-21	-56
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	94	94
Use of provisions	7	338	345
Total accruals to cash adjustments	-533	432	-101
Excess cash to be CFERd	-	-	-
Net Cash Requirement	272	433	705

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	543
Total Net Administration Costs	543
Net Programme Costs	
RfR 1	46
Non-voted	-
Total Net Programme Costs	46
Total Net Operating Cost	589
<i>of which:</i>	
Net Resource Requirement	589
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	589

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	589
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	589
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	589
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	543
Annually Managed Expenditure (AME)	46

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	217
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	217
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	217
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Trevor Llanwarne, Head of the Department

Trevor Llanwarne, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Trevor Llanwarne is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (continued)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Providing an actuarial consultancy service	
Administration	15,162
<i>of which:</i>	
Sale of goods and services	15,162
Total RfR 1	15,162†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts for payments for actuarial, accommodation and facilities management services, financial, payroll and IT services</i>	
Total Operating A in A	15,162

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change				£'000
	Voted	Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	1	-	543	-	543
<i>of which: †</i>					
Administration budget	1	-	543	-	543
Near-cash in RDEL	1	338	49	345	394
Capital DEL ††	-	-	217	-	217
Less Depreciation †††	21	-	-335	-	-335
Total DEL	22	-	425	-	425

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	£'000
	Revised
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.	15,162

Cabinet Office

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

B3	Drawdown for Real Help for Communities Action Plan run by the Office of the Third Sector Adjustment to increase resource grants within the Programme Budget	10,000,000
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B3	Drawdown for Invest to Save Budget run by the Office of the Third Sector on behalf of HM Treasury Adjustment to increase resource grants within the Programme Budget	83,000
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B3	Drawdown for various capital grant programmes run by the Office of the Third Sector Adjustment to increase Capital Grants within the Programme Budget	52,324,000
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DEL Reserve claims

B3	Drawdown on the Reserve for V Matched Funding Adjustment to increase Resource Grants within the Programme Budget	10,500,000
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B3	Drawdown on the Reserve for Invest to Save Budget run by Office of the Third Sector on behalf of HM Treasury Adjustment to increase Resource Grants within the Programme Budget	844,000
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Transfers of budgetary cover to/from other government departments

A1	Budgetary Cover Transfers to various government departments to cover the costs of the Office of the Parliamentary Counsel Adjustment to decrease Administration Budget	-8,003,000
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Introduction

A2	A non cash Budget cover transfer to the Security and Intelligence Agencies to cover Capital charges relating to asset transfers Adjustment to decrease non cash Programme Budget		-3,181,000
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Other changes

Resource transfers within the Request for Resources

B3:J3	A transfer from Office of the Third Sector to Non Budget Grant In Aid to Capacity Builders (UK) Limited - eNDPB Adjustment to decrease voted capital grant expenditure and increase Non budget Grant in Aid to eNDPB and increase non voted capital grant expenditure incurred by the eNDPB		-2,250,000
B1:A1	A transfer from Office of the Third Sector to core Cabinet Office in respect of staff transfers Adjustment to decrease Office of the Third Sector's Administration Budget and increase core Cabinet Office's Administration Budget	206,000	-206,000
J3:B3	A transfer from Non Budget Grant In Aid, Capacity Builders (UK) Limited eNDPB, to Office of the Third Sector Adjustment to increase voted resource grant expenditure and decrease Non voted resource grant and Non budget Grant in Aid to executive NDPB's	104,000	
A1:D1	A transfer to Committee on Standards in Public Life - ANDPB from core Cabinet Office Adjustment to decrease core Cabinet Office's Administration Budget and increase Committee on Standards in Public Life Administration Budget	200,000	-200,000
A1:A2	A transfer from Administration to Programme Budget within near cash RDEL to cover additional programme expenditure Adjustment to decrease Administration and increase Programme Near Cash Budget	16,000,000	-16,000,000
A1:A2	A transfer from Administration to Programme Budget within Non Cash RDEL to cover non cash capital charges. Adjustment to decrease Administration and increase Programme Non Cash Budget	4,000	-4,000
A1:A2	A transfer from Administration to Programme within non cash RDEL to cover capital charges relating to asset transfers Adjustment to decrease Administration and increase Programme Non Cash Budget	3,181,000	-3,181,000

Introduction

A1:A3	A transfer from Administration to Programme grants within near cash RDEL to cover costs for Innovators Council "getting there first" project Adjustment to decrease core Cabinet Office's Administration Budget and increase Resource grant budget.	240,000	-240,000
A1:K2	A transfer from Voted to Non Budget voted on implementation of IFRS in respect of a service concession arrangement which is treated on Balance Sheet for the Estimates/Accounts and off Balance Sheet for Budgets		-7,600,000
	<u>Transfers to/from non-voted spending</u>		
A1	A switch within Core Cabinet Office Administration Budget to fund use of provision Adjustment to decrease voted Administration and increase non voted Near Cash Administration Budget		-819,000
	<u>Increases in non-budget spending</u>		
B3:J3	A transfer from Office of the Third Sector to Non Budget Grant In Aid to Capacity Builders (UK) Limited - eNDPB Adjustment to decrease voted capital grant expenditure and increase Non budget Grant in Aid to eNDPB and increase non voted capital grant expenditure incurred by the eNDPB	2,250,000	
B3:J3	A transfer from Non Budget Grant In Aid, Capacity Builders (UK) Limited eNDPB, to Office of the Third Sector Adjustment to increase voted resource grant expenditure and decrease Non voted resource grant and Non budget Grant in Aid to executive NDPB's		-104,000
A1:K2	A transfer from Voted to Non Budget on implementation of IFRS in respect of a service concession arrangement which is treated on Balance Sheet for the Estimates/Accounts and off Balance Sheet for Budgets	7,600,000	
	<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>		
A1:A5	Increase in Administration income relating to various management units within Cabinet Office Adjustment to increase Administration expenditure offset by Administration income	12,649,000	-12,649,000

Introduction

A2:A5	Increase in programme income relating to various management units within Cabinet Office Adjustment to increase programme expenditure offset by programme income.	821,000	-821,000
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<u>Totals</u>		117,006,000	-55,258,000
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<u>Total RfR 1</u>			61,748,000
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<u>Total change in resources for Estimate:</u>			61,748,000
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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 £99,248,000.
3. Symbols are explained in the Introduction to this booklet.

Cabinet Office

Part I

	£
Request for Resources 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives †	61,748,000
Total additional net resource requirement	61,748,000
Additional net cash requirement †	99,248,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Cabinet Office on:

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; the Offices of the Chancellor of the Duchy of Lancaster and Ministers in the Cabinet Office and of the Cabinet Secretary and Head of the Home Civil Service; Propriety and Ethics and Private Offices Group; Lord President of the Council and the Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons and the Offices of the Government Whips in the House of Commons and the House of Lords; Office of the Parliamentary Counsel; Honours and Appointments; Cabinet Secretariat, which includes: Foreign and Defence Policy Secretariat, European and Global Issues Secretariat, Economic and Domestic Affairs Secretariat, and National Economic Council; Intelligence, Security and Resilience Group which includes: National Security Secretariat, Office of Cyber Security, Security and Intelligence and Civil Contingencies Secretariat; Intelligence Assessment and Intelligence Analysis Profession and Strategic Horizons; Government CIO, Senior Information and Risk Owner and Head of Government IT Profession which includes: ICT Strategy and Policy, IT Profession and Cabinet Office CIO, Chief Technology Officer and Information Assurance; Domestic Policy Group which includes: Office of the Third Sector, Social Exclusion Task Force, Strategy Unit and Public Services Unit; Civil Service Capability Group and Head of Government HR Profession which includes: Civil Service Workforce; Civil Service Performance and Review Directorate and Civil Service Leadership and Talent; Government Communications and Head of Government Communications Profession which includes: Professional Development, Civil Service Governance and Government Communications, Cabinet Office Communications and Digital Engagement; Corporate Services Group; and other units;

Payments of grant and grant-in-aid to organisations promoting departmental objectives; grants-in-aid to not-for-profit organisations including the Civil Service Benevolent Fund, the Civil Service Retirement Fellowship, the Civil Service Sports Council, the Chequers Trust and to the executive Non-Departmental Public Bodies, Capacity Builders (UK) Limited and the Commission for the Compact Limited; grants to organisations working in the third sector and to local authorities and to other organisations including the Disability Partnership and the Whitehall and Industry Group;

Part I

Payments to and income from other government departments in relation to programmes supporting the department's objectives; special payments; expenditure on and income from loans; expenditure on capital assets; 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; the administration and operation of the department and associated non-cash items.

The **Cabinet Office** will account for this Estimate.

† £ 99,248,000 has been advanced from the Contingencies Fund to provide cash in respect of £ 61,748,000 resources supporting the services provided under sections A, B, and J of this Estimate. A corresponding cash amount is required to enable repayment to be made to the fund.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives					
		75,218	13,470	61,748	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Cabinet Office	215,804	-6,127	13,470	-19,597	196,207
B Office of the Third Sector	153,538	71,399	-	71,399	224,937
D Committee on Standards in Public Life - ANDPB	638	200	-	200	838
Non-Budget					
J Executive NDPB's	39,231	2,146	-	2,146	41,377
K Cabinet Office Service Concessions *	-	7,600	-	7,600	7,600
Total for Estimate:		75,218	13,470	61,748	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	14,473	-	14,473
Non-Operating A in A	5,760	-	5,760
Net cash requirement	380,827	99,248	480,075

* The increases in non-budget spending due to the adoption of IFRS is offset by reductions in Departmental Expenditure Limits (DEL) spending contained in other parts of the Estimate. The offsetting reductions may not be visible in this table, but further information is included in the Introduction to the Estimate.

Part II: Revised subhead detail including additional provision

							£'000	
Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives								
228,372	52,678	256,360	537,410	62,205	475,205	14,473	5,760	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Cabinet Office							
220,440	34,823	3,149	258,412	62,205	196,207	14,473	5,760	
B	Office of the Third Sector							
3,454	10,255	211,228	224,937	-	224,937	-	-	
C	Social Exclusion Task Force							
1,378	-	-	1,378	-	1,378	-	-	
D	Committee on Standards in Public Life - ANDPB							
838	-	-	838	-	838	-	-	
E	Independent Offices - Civil Service Commissioners							
1,220	-	-	1,220	-	1,220	-	-	
F	Independent Offices - Commissioner for Public Appointments							
584	-	-	584	-	584	-	-	
G	Independent Offices-Advisory Committee on Business Appts-ANDPB							
208	-	-	208	-	208	-	-	
H	Independent Offices - House of Lords Appts Commission - ANDPB							
250	-	-	250	-	250	-	-	
<i>Support for Local Authorities</i>								
I	London Fire and Emergency Planning Authority							
-	-	606	606	-	606	-	-	
Non-Budget								
J	Executive NDPB's							
-	-	41,377	41,377	-	41,377	-	-	
K	Cabinet Office Service Concessions							
-	7,600	-	7,600	-	7,600	-	-	
Total for Estimate:								
228,372	52,678	256,360	537,410	62,205	475,205	14,473	5,760	

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	413,457	61,748	475,205
Voted capital items			
Capital	14,473	-	14,473
Less Non-operating A-in-A	5,760	-	5,760
Total net voted capital	8,713	-	8,713
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-8,973	225	-8,748
Depreciation	-34,805	3,456	-31,349
New provisions and adjustments to previous provisions	-	-1,222	-1,222
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,000	722	-278
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	3,435	33,500	36,935
Use of provisions	-	819	819
Total accruals to cash adjustments	-41,343	37,500	-3,843
Excess cash to be CFERd	-	-	-
Net Cash Requirement	380,827	99,248	480,075

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	170,550
Total Net Administration Costs	<u>170,550</u>
Net Programme Costs	
RfR 1	304,655
Non-voted	-
Total Net Programme Costs	<u>304,655</u>
Total Net Operating Cost	475,205
<i>of which:</i>	
Net Resource Requirement	475,205
less: Prior period adjustments	-
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	387,253

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	475,205
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	475,205
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-91,346
European Union income related to capital grants	-
Voted expenditure outside the budget	-7,600
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-3,400
Unallocated resource provision	-
Other adjustments	14,394
Resource Budget (Budget)	387,253
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	387,253
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	8,713
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	3,400
Capital grants	91,346
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	103,459
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	103,459
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Sir Gus O' Donnell, Principal Accounting Officer and Permanent Head of Department

Sir Gus O'Donnell, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Gus O'Donnell is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	
Administration	57,822
<i>of which:</i>	
Sale of goods and services	57,822
Programme	4,383
<i>of which:</i>	
Sale of goods and services	4,383
Total RfR 1	62,205†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from minor occupiers of the Department's buildings and other accommodation income; sales of goods and services to other government departments, public bodies and general public; income in respect of central management costs of the Principal Civil Service Pension Scheme (PCSPS); recovery of costs of staff on secondment and loan; Emergency Planning College receipts for training courses and rent; recovery of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and Appointments; other grant income including repayments of grants and subsidies; income from sale of publications; recoveries from non-departmental public bodies; income in respect of Fast Stream programme; receipts from sale or use of rights and assets; rental income and receipts from property and land; receipts from sale of non-capital assets; interest receivable from the private sector and certain other services.</i>	
Total Operating A in A	62,205

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

	£'000
	2009-10
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	
Administration	5,740
<i>of which:</i>	
Sale of assets	5,740
Programme	20
<i>of which:</i>	
Loan, etc, repayments	20
Total RfR 1	5,760†
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loan principal by London Hostels Association; proceeds from the sale of fixed assets.</i>	
Total Non-Operating A in A	5,760

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	1,928	7,356	334,882	52,371	387,253
<i>of which: †</i>					
Administration budget	-35,847	7,600	170,550	7,600	178,150
Near-cash in RDEL	5,109	8,175	293,285	53,190	346,475
Capital DEL ††	50,074	2,400	100,059	3,400	103,459
Less Depreciation †††	3,456	-	-31,349	-	-31,349
Total DEL	55,458	9,756	403,592	55,771	459,363

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	67,965

Notes to the Estimate (*continued*)**Expenditure resting on the sole authority of the Appropriation Act**

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

RfR/Section	Service	£'000
RfR1 A	Pension payments	8
RfR1 A	Grants made by the Cabinet Office	3,141
RfR1 I	London Fire and Emergency Planning Authority	606
RfR1 J	Grants-in-Aid to ENDPBs	41,377

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Department has adopted International Financial Reporting Standards (IFRS) with effect from 1 April 2009. The adoption of IFRS has led to some alteration in the Department's Estimate but has no effect on budgets.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could be potentially misleading, particularly where transactions may well pre-date the cut off point, as only part of an obligation would be included. In view of this, the Department has not included PPAs for IFRS in its Supplementary Estimate.

Notes to the Estimate (*continued*)**Grants in aid**

RfR/Section	Body	£'000
RfR1 J	Capacity Builders (UK) Limited♥	39,377
RfR1 J	Commission for the Compact Limited♥	2,000

Security and Intelligence Agencies

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting and promoting the national security and economic well being of the UK			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
	<u>Take up of Departmental Unallocated Provision</u>		
A2	£5,000,000 Programme to cover the expansion and capabilities of the Security and Intelligence Agencies	5,000,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
A2	Transfer from FCO for the expansion and capabilities of the Security and Intelligence Agencies	500,000	
A2	Transfer of programme non-cash from Cabinet Office for the expansion and capabilities of the Security and Intelligence Agencies	3,181,000	
A2	Transfer to MOD for Information Assurance		-6,000,000
A2	Transfer to Home Office in relation to the expansion and capabilities of the Security and Intelligence Agencies		-4,400,000
	<u>Other changes in DEL spending</u>		
A2	Decrease in Programme near-cash expenditure resulting from implementation of IAS17:Leases		-500,000
A2	Decrease in programme near-cash expenditure resulting from implementation of IAS38:Intangible Assets		-18,000,000
A2	Increase in programme near-cash expenditure resulting from implementation of IAS19:Employee Benefits	3,190,000	
	<u>Changes in Annually Managed Expenditure (AME)</u>		
B2	Decrease in AME of £2,290,000 resulting from the implementation of IAS19:Employee Benefits		-2,290,000
B2	Increase in AME resulting from revaluation of Property, Plant and Equipment (PPE)	25,100,000	

Introduction

Other changes

Changes in operating appropriations in aid (fully offset by changes in spending)

A1:A5	Increase in Admin income of £1,048,000 offset by an increase in Admin near-cash expenditure of £1,048,000	1,048,000	-1,048,000
A2:A5	Increase in Programme income of £45,560,000 being offset by an increase in Programme near-cash expenditure of £45,560,000	45,560,000	-45,560,000

Totals

83,579,000 -77,798,000

Total RfR 1

5,781,000

Total change in resources for Estimate:

5,781,000

Changes in capital

Section Reason for Change

RfR 1: Protecting and promoting the national security and economic well being of the UK

Changes related to movements in budgets

Other changes in DEL spending

A7	Increase in Capital expenditure resulting from implementation of IAS38: Intangible Assets	18,000,000	
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Other changes

Changes in non-operating appropriations in aid (fully offset by changes in spending)

A7:A8	Increase in Capital income of £43,382,000 being offset by an increase in Capital expenditure of £43,382,000	43,232,000	-43,232,000
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Totals

18,000,000 -

Total RfR 1

18,000,000

Total changes in capital for Estimate:

18,000,000

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

Security and Intelligence Agencies

Part I

	£
Request for Resources 1: Protecting and promoting the national security and economic well being of the UK	5,781,000
Total additional net resource requirement	5,781,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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 **Security and Intelligence Agencies** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Protecting and promoting the national security and economic well being of the UK					
		52,389	46,608	5,781	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Security and Intelligence Agencies	1,864,501	29,579	46,608	-17,029	1,847,472
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
B Impairments	8,790	22,810	-	22,810	31,600
Total for Estimate:		52,389	46,608	5,781	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	338,810	61,232	400,042
Non-Operating A in A	810	43,232	44,042
Net cash requirement	1,936,680	-	1,936,680

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Protecting and promoting the national security and economic well being of the UK									
97,365	1,929,811	-	2,027,176	148,104	1,879,072	400,042	44,042		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Security and Intelligence Agencies								
97,365	1,898,211	-	1,995,576	148,104	1,847,472	400,042	44,042		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
B	Impairments								
-	31,600	-	31,600	-	31,600	-	-		
Total for Estimate:									
97,365	1,929,811	-	2,027,176	148,104	1,879,072	400,042	44,042		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	1,873,291	5,781	1,879,072
Voted capital items			
Capital	338,810	61,232	400,042
Less Non-operating A-in-A	810	43,232	44,042
Total net voted capital	338,000	18,000	356,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-47,054	-225	-47,279
Depreciation	-292,926	-28,056	-320,982
New provisions and adjustments to previous provisions	-9,695	-	-9,695
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-5,264	-	-5,264
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	80,328	4,500	84,828
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-274,611	-23,781	-298,392
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,936,680	-	1,936,680

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	85,000
Total Net Administration Costs	85,000
Net Programme Costs	
RfR 1	1,794,072
Non-voted	-
Total Net Programme Costs	1,794,072
Total Net Operating Cost	1,879,072
<i>of which:</i>	
Net Resource Requirement	1,879,072
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	1,879,072

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	1,879,072
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	1,879,072
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	1,879,072
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,847,472
Annually Managed Expenditure (AME)	31,600

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	356,000
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	356,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	356,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Sir Gus O'Donnell

Sir Gus O'Donnell, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Gus O'Donnell is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Protecting and promoting the national security and economic well being of the UK	
Administration	12,365
<i>of which:</i>	
Sale of goods and services	12,365
Programme	135,739
<i>of which:</i>	
Sale of goods and services	135,739
Total RfR 1	148,104†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sales of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services.</i>	
Total Operating A in A	148,104

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

	£'000
	2009-10
RfR 1: Protecting and promoting the national security and economic well being of the UK	
Programme	44,042
<i>of which:</i>	
Sale of assets	44,042
Total RfR 1	44,042†
<i>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of fixed assets and from the sale of freehold interest and land.</i>	
Total Non-Operating A in A	44,042

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-17,029	-5,000	1,847,472	-	1,847,472
<i>of which: †</i>					
Administration budget	-	-	85,000	-	85,000
Near-cash in RDEL	-20,210	-5,000	1,495,852	-	1,495,852
Capital DEL ††	18,000	-	356,000	-	356,000
Less Depreciation †††	-2,956	-	-289,382	-	-289,382
Total DEL	-1,985	-5,000	1,914,090	-	1,914,090

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	192,146

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Security and Intelligence Agencies have fully adopted International Financial Reporting Standards (IFRS) since the last publication of our Estimate and the standard takes effect from 1 April 2009.

The usual convention is to seek the resource requirements related to prior period adjustments (PPAs) back to 2001-02, the first year in which Parliament voted resource-based Supply Estimates, in order to obtain the spending authority that would otherwise have been needed across those years. However, since PPAs in Estimates go back only to 2001-02, the PPA numbers for IFRS could potentially be misleading, particularly where transactions may well pre-date the cut off point, as only part of the obligation would be included. In view of this, we have not included PPAs for IFRS in our Supplementary Estimate.

Cabinet Office: Civil superannuation

Introduction

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

	Amount (£)	
	<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>		

RfR 1: Civil superannuation

Section Reason for Change

Changes related to movements in budgets

	<u>Changes in Annually Managed Expenditure (AME)</u>	
A3:A5 To increase gross provision for the provision of pension and other payments to members of the Principal Civil Service Pension Scheme and other schemes, partially offset by increases in appropriations in aid in respect of higher than expected pension contributions.	550,501,000	-251,200,000

<u>Totals</u>	550,501,000	-251,200,000
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Total RfR 1	299,301,000
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Total change in resources for Estimate:	299,301,000
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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 £1,000

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

Cabinet Office: Civil superannuation

Part I

	£
Request for Resources 1: Civil superannuation	299,301,000
Total additional net resource requirement	299,301,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Cabinet Office:
Civil superannuation on:

RfR 1: Civil superannuation

the superannuation of civil servants; pensions etc., and other pensions and non-recurrent payments; for other related services and associated non-cash items.

The **Cabinet Office: Civil superannuation** will account for this Estimate.

Part II: Changes proposed

Resources

£'000					
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Civil superannuation		550,501	251,200	299,301	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Civil superannuation	7,141,000	550,501	251,200	299,301	7,440,301
Total for Estimate:		550,501	251,200	299,301	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1,456,500	1	1,456,501

Part II: Revised subhead detail including additional provision

								£'000	
Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Civil superannuation									
-	-	10,899,001	10,899,001	3,458,700	7,440,301	-	-		
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
A	Civil superannuation								
-	-	10,899,001	10,899,001	3,458,700	7,440,301	-	-		
Total for Estimate:									
-	-	10,899,001	10,899,001	3,458,700	7,440,301	-	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	7,141,000	299,301	7,440,301
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-10,339,000	-550,501	-10,889,501
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-45,000	251,201	206,201
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	4,699,500	-	4,699,500
Total accruals to cash adjustments	-5,684,500	-299,300	-5,983,800
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,456,500	1	1,456,501

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Combined Revenue Account

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	7,440,301
<i>of which:</i>	
Income	
Contributions received	3,275,700
Transfers in	113,000
Other income receivable	70,000
Total Income	<u>3,458,700</u>
Expenditure	
Increase in liability	3,825,501
Interest on scheme liability	7,064,000
Other expenditure	9,500
Total Expenditure	<u>10,899,001</u>
Non-voted	-
Total Net Programme costs	<u>7,440,301</u>
Total Net Operating Cost	7,440,301
<i>of which:</i>	
Net Resource Requirement	7,440,301
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	7,440,301

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	7,440,301
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	7,440,301
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	7,440,301
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	7,440,301

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

Request for Resources 1: Sir Gus O'Donnell, Permanent Head of the Department

Sir Gus O' Donnell, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Gus O' Donnell is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- Observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Civil superannuation	
Programme	3,458,700
<i>of which:</i>	
Pension scheme related income	3,458,700
Total RfR 1	3,458,700†
<i>† Amount that may be applied as operating 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.</i>	
Total Operating A in A	3,458,700

Notes to the Estimate (*continued*)**Cash which may be retained to offset expenditure**

	£'000
	Revised
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.	3,458,700

House of Lords

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Members' expenses and administration, etc.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
A2	Decreased costs and in year savings relating to the House of Lords' administration and other related costs.		-5,120,000
B2	Decrease in depreciation and non-cash charges due to movements in the value of the House of Lords' share of the Parliamentary Estate.		-769,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
C2	Increase in non-cash costs due to movements in the value of the House of Lords' share of the Parliamentary Estate.	7,800,000	
C3	Decrease in non-cash interest and other costs due to movements in the valuation of the House of Lords Staff Pension Scheme.		-907,000
<u>Other changes</u>			
<u>Changes in operating appropriations in aid (fully offset by changes in spending)</u>			
A2 and A5	Lower than estimated income from goods and services and related costs.	215,000	-215,000
A3 and A5	Decrease in pension scheme income and decrease in associated pension costs.	678,000	-678,000
<u>Totals</u>		8,693,000	-7,689,000
Total RfR 1		1,004,000	
Total change in resources for Estimate:		1,004,000	

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

House of Lords

Part I

	£
Request for Resources 1: Members' expenses and administration, etc.	1,004,000
Total additional net resource requirement	1,004,000
Additional net cash requirement	-

SUPPLEMENTARY amounts required in the year ending 31 March 2010 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; grants in aid to Parliamentary bodies; 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
RfR 1: Members' expenses and administration, etc.					
		111	-893	1,004	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	71,923	-6,013	-893	-5,120	66,803
B Works Services	42,599	-769	-	-769	41,830
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
C Administration	2,819	6,893	-	6,893	9,712
Total for Estimate:		111	-893	1,004	

Capital and Cash

£'000			
	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	15,309	-	15,309
Non-Operating A in A	-	-	-
Net cash requirement	98,068	-	98,068

Part II: Revised subhead detail including additional provision

								£'000	
Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Members' expenses and administration, etc.									
-	113,338	11,572	124,910	6,565	118,345	15,309	-		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	-	65,366	6,792	72,158	5,355	66,803	1,270	-
B	Works Services	-	43,040	-	43,040	1,210	41,830	14,039	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
C	Administration	-	4,932	4,780	9,712	-	9,712	-	-
Total for Estimate:									
-	113,338	11,572	124,910	6,565	118,345	15,309	-		

Part II: Resource to cash reconciliation

	£'000		
	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	117,341	1,004	118,345
Voted capital items			
Capital	15,309	-	15,309
Less Non-operating A-in-A	-	-	-
Total net voted capital	15,309	-	15,309
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-17,882	413	-17,469
Depreciation	-8,999	-6,596	-15,595
New provisions and adjustments to previous provisions	-11,042	1,239	-9,803
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-110	-	-110
Increase (+) / Decrease (-) in stock	15	-	15
Increase (+) / Decrease (-) in debtors	50	700	750
Increase (-) / Decrease (+) in creditors	261	3,240	3,501
Use of provisions	3,125	-	3,125
Total accruals to cash adjustments	-34,582	-1,004	-35,586
Excess cash to be CFERd	-	-	-
Net Cash Requirement	98,068	-	98,068

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Programme Costs	
RfR 1	118,345
Non-voted	-
Total Net Programme Costs	<u>118,345</u>
Total Net Operating Cost	118,345
<i>of which:</i>	
Net Resource Requirement	118,345
Non-voted Expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	118,345

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	118,345
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	118,345
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	118,345
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	108,633
Annually Managed Expenditure (AME)	9,712

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	15,309
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	15,309
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	15,309
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following appointment made by Her Majesty by Letters Patent includes the role of ex-officio Accounting Officer for the Request for Resources within this Estimate:

Request for Resources 1: Michael Pownall, Clerk of the Parliaments

Michael Pownall, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Michael Pownall is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

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 safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)
Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Members' expenses and administration, etc.	
Programme	6,565
<i>of which:</i>	
Sale of goods and services	5,710
Pension scheme related income	855
Total RfR 1	6,565†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: judicial proceedings; private bills; taxation of costs; reproduction of works of art; fees etc; refreshment department sales; rental income; and other charges.</i>	
Total Operating A in A	6,565

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-5,889	-	108,633	-	108,633
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	-3,940	-	75,368	-	75,368
Capital DEL ††	-	-	15,309	-	15,309
Less Depreciation †††	1,204	-	-7,795	-	-7,795
Total DEL	-4,685	-	116,147	-	116,147

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

†† Capital DEL includes items treated as Resource in Estimates and accounts but which are treated as Capital DEL in budgets.

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

Cash which may be retained to offset expenditure

	Revised
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.	6,565



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