
**Central Government
Supply Estimates 2005–06
Winter Supplementary Estimates**

November 2005

Central Government Supply Estimates

2005–06

for the year ending 31 March 2006

Winter Supplementary Estimates

*Presented by Command of Her Majesty
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TREASURY CHAMBERS
17 November 2005

JOHN HEALEY

Section 1.

Introduction

1. Supply Estimates are the means by which the Government seeks from Parliament sufficient funds and fresh parliamentary authority for the bulk of its own expenditure each year. A full description of Supply Estimates was included in the Main Estimates (*HC 2*) presented to Parliament on 25 May 2005.

Supplementary, New and Revised Estimates

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

Total Estimates to Date

3. For the current year, Main Estimates for each department were presented to Parliament on 25 May 2005.

4. The winter Supplementary Estimates presented to Parliament by departments and summarised in this booklet increase resources by **£3,183,848,000** to **£438,961,894,000** and cash by **£4,677,710,000** to **£357,234,685,000**.

Table 1.1 Total Estimates to date		£ million	
	Resources	Cash	
Main Estimates (<i>HC 2, 3, 4 and 5 of 2005–06</i>)	435,778	352,557	
Winter Supplementary Estimates (<i>HC 672</i>) (Section 2 of this booklet)	3,184	4,678	
Total	438,962	357,235	

5. There are 33 Supplementary Estimates seeking increases in resources and/or cash and these are shown in **Table 1.3**.

Public Expenditure: Total Managed Expenditure

6. The main aggregate for public expenditure control is Total Managed Expenditure, which includes Departmental Limits (DEL) for which firm three year plans were set in the 2004 Spending Review and Annually Managed Expenditure (AME) subject to annual review as part of the Budget process. These definitions are explained in more detail in Chapter 1 of *Public Expenditure: Statistical Analyses 2005 (Cm 6521)* and in Section 2 of *Central Government Supply Estimates: Main Estimates 2005–06 Supplementary Budgetary Information (Cm 6489)*.

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

8. The net effect of the Estimates within this booklet and associated non voted increases on the main control aggregates is shown in **Table 1.2**. Of the increase in DEL, £1,625 million will be charged to the DEL Reserve. Of this, £1,364 million relates to partial take up of the end year flexibility entitlements shown in **Table 6** of the *Public Expenditure Outturn White Paper 2004–05 (Cm 6639)* published on 20 July 2005.

Table 1.2 Expenditure within the main control aggregates		£ million
	Resources	Capital
Change in DEL	749	625
Change in AME	121	—
Change in non-budget spending	592	—
Total	1,462	625

Departmental Expenditure Limits

9. Individual DELs operate as limits on spending at the departmental level covering both voted and non-voted provision. An explanation of the operation of DELs and the DELs, capital and resource, for 2005–06 were set out in Section 2 of *Central Government Supply – Estimates 2005–06 – Supplementary Budgetary Information (Cm 6489)*. The presumption is that DELs, once set, will not be changed (other than for transfer of provision between DELs), even if there are unexpected fluctuations in costs or other determinants of expenditure.

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

Administration Budgets

11. **Table 1.5** in the Appendix shows the changes to individual departments' administration budgets agreed since they were published in Table 2.3 of *Cm 6489*.

Provisional outturn for the first half of 2005–06

12. **Table 1.6** gives provisional estimated outturn for supply expenditure in the first six months of the financial year of 2005–06 on all Estimates.

13. Estimated expenditure is compared with forecasts of expenditure in the first six months prepared by departments earlier in the financial year. Expenditure is currently estimated to be 2.1 per cent above forecast for the first half year.

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

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 2*.

- Format of Supplementary Estimates** 16. Each Supplementary Estimate begins with an explanatory introduction explaining why different expenditure is being proposed. The format and organisation of Estimates is explained more fully in Section 2 of *HC 2*.

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

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 capital and cash. This is followed by a reproduction of the original Main Estimate Part II table showing the revised subhead detail including the additional provision sought for each subhead (including unchanged subheads) as a result of the Supplementary. The third table shows a reconciliation between the net resource total and the net cash requirement.

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

20. Each Supplementary Estimate is supported by a Forecast Operating Costs 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 receipts which are classified as negative in Resource Budget: DEL or Capital Budget: DEL in respect of income from capital receipts including assets sales and which are, exceptionally surrendered to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- △ Income receipts which are classified as negative in Resource Budget: AME or Capital Budget: AME and which are, exceptionally, surrendered direct to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- Extra income receipts which are classified as outside of budgets and are surrendered direct to the Consolidated Fund as extra receipts

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

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

Appendix

Table 1.3 Supplementary Estimates by department

£'000s

RfR Service	Present net provision	Resources Increase proposed	New net provision	Present requirement	Cash Increase proposed	New requirement
Department for Education and Skills	29,361,288	21,339	29,382,627	31,663,274	21,339	31,684,613
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	27,998,938	8,796	28,007,734			
2 Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,167,098	12,542	1,179,640			
3 Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	195,252	1	195,253			
Department of Health	61,323,693	2	61,323,695	59,575,150	444,477	60,019,627
1 Securing health care for those who need it	57,771,617	1	57,771,618			
2 Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,542,076	1	3,542,077			
3 Office of the Independent Regulator for NHS Foundation Trusts	10,000	—	10,000			
Food Standards Agency	143,477	300	143,777	141,316	300	141,616
1 Protecting and promoting public health in relation to food	143,477	300	143,777			
Department for Transport	11,429,983	500,061	11,930,044	10,259,869	554,216	10,814,085
1 Promoting modern, integrated and safe transport and providing customer-focussed regulation	11,429,983	500,061	11,930,044			
Office of Rail Regulation	1	2,000	2,001	1	6,096	6,097
1 To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation	1	2,000	2,001			
Office of the Deputy Prime Minister	55,727,773	106,474	55,834,247	55,815,907	166,856	55,982,763
1 Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	8,607,496	1	8,607,497			
2 Providing for effective devolved decision making within a national framework	47,120,277	106,473	47,226,750			
Home Office	13,267,359	120,299	13,387,658	13,401,521	144,889	13,546,410
1 Building a safe, just and tolerant society	13,267,359	120,299	13,387,658			
Assets Recovery Agency	15,201	1,547	16,748	15,217	1,558	16,775
1 Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	15,201	1,547	16,748			
Charity Commission	30,493	1,660	32,153	30,474	1,858	32,332
1 Giving the public confidence in the integrity of charity	30,493	1,660	32,153			

Table 1.3 Supplementary Estimates by department (Continued)						£'000s
RfR Service	Present net provision	Resources Increase proposed	New net provision	Present requirement	Cash Increase proposed	New requirement
Department for Constitutional Affairs	34,993,421	67,554	35,060,975	34,871,116	87,919	34,959,035
1 To promote the development of a modern, fair, cost effective and efficient system of justice for all	3,487,783	8,554	3,496,337			
2 Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	20,883,671	59,000	20,942,671			
3 To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	10,621,967	—	10,621,967			
Northern Ireland Court Service	96,749	12,905	109,654	91,574	12,905	104,479
1 Supporting the effective and efficient administration of justice in Northern Ireland	96,749	12,905	109,654			
The Crown Prosecution Service	558,644	40,825	599,469	558,687	40,825	599,512
1 Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	558,644	40,825	599,469			
Serious Fraud Office	35,775	8,600	44,375	39,431	8,400	47,831
1 Reducing fraud and the cost of fraud and delivering justice and the rule of law	35,775	8,600	44,375			
Revenue and Customs Prosecutions Office	35,605	2,280	37,885	35,605	2,183	37,788
1 The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecution	35,605	2,280	37,885			
Ministry of Defence	34,611,882	450,824	35,062,706	29,153,073	459,105	29,612,178
1 Provision of defence capability	33,497,870	450,324	33,948,194			
2 Conflict prevention	45,040	500	45,540			
3 War Pensions and Allowances, etc	1,068,972	—	1,068,972			
Armed Forces Retired Pay, Pensions etc	14,375,527	83,017	14,458,544	1,429,522	293,698	1,723,220
1 Armed Forces retired pay, pensions etc	14,375,527	83,017	14,458,544			
Foreign and Commonwealth Office	1,778,770	16,047	1,794,817	1,724,029	16,047	1,740,076
1 Promoting internationally the interests of the UK and contributing to a strong world community	1,542,884	3,997	1,546,881			
2 Conflict prevention	235,886	12,050	247,936			
Department for International Development	3,866,982	9,047	3,876,029	3,797,311	21,452	3,818,763
1 Eliminating poverty in poorer countries delivering justice and the rule of law	3,819,432	9,047	3,828,479			
2 Conflict prevention	47,550	—	47,550			
Department for International Development: Overseas Superannuation	154,261	1	154,262	116,071	1	116,072
1 Overseas superannuation	154,261	1	154,262			
Department of Trade and Industry	10,161,837	491,699	10,653,536	6,991,799	795,075	7,786,874
1 Increasing UK competitiveness	7,430,598	82,824	7,513,422			
2 Increasing Scientific Excellence in the UK and maximising its contribution to society	2,731,239	408,875	3,140,114			
Postal Services Commission	1	—	1	1	2,040	2,041
1 Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	—	1			
Department for Environment, Food and Rural Affairs	5,699,470	1	5,699,471	5,637,160	—	5,637,160
1 Ensuring that consumers benefit from competitively priced food, produced to high standards of safety, environmental care and animal welfare from a sustainable, efficient food chain, to contribute to well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible	5,699,470	1	5,699,471			

Table 1.3 Supplementary Estimates by department (Continued)							£'000s
RfR Service	Present net provision	Resources Increase proposed	New net provision	Present requirement	Cash Increase proposed	New requirement	
Forestry Commission	78,615	3,334	81,949	58,682	3,334	62,016	
1 To implement the programmes of the England Forestry Strategy	61,158	3,334	64,492				
2 To take the lead in development and promotion of sustainable forest management and to support its achievements nationally	17,457	—	17,457				
Office of Water Services	1	1	2	507	—	507	
1 Regulation of the Water Industry	1	1	2				
Department for Culture, Media and Sport	3,811,055	357,294	4,168,349	3,809,596	360,774	4,170,370	
1 Improving the quality of life through cultural and sporting activities	1,411,956	96,393	1,508,349				
2 Broadening access to a rich and varied cultural and sporting life through home broadcasting	2,399,099	260,901	2,660,000				
Department for Work and Pensions	61,315,571	523,959	61,839,530	61,851,690	715,759	62,567,449	
1 Ensuring the best start for all children and ending child poverty in 20 years	308,947	32,683	341,630				
2 Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	34,259,013	257,432	34,516,445				
3 Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	10,472,640	180,992	10,653,632				
4 Improve the rights and opportunities for disabled people in a fair and inclusive society	14,188,815	4,604	14,193,419				
5 Corporate contracts, support services	2,086,156	48,248	2,134,404				
Northern Ireland Office	11,276,103	143,421	11,419,524	11,305,914	138,609	11,444,523	
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	1,139,102	143,421	1,282,523				
2 Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and Northern Ireland Act 2000	10,137,001	—	10,137,001				
HM Revenue and Customs	14,602,672	129,849	14,732,521	15,257,803	229,946	15,487,749	
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	4,398,791	129,849	4,528,640				
2 Growing a contribution to the good management of property where the public interest is involved	1	—	1				
3 Providing payments in lieu of tax relief to certain bodies	90,000	—	90,000				
4 Making payments of rates to Local Authorities on behalf of certain bodies	35,418	—	35,418				
5 Payments of Child benefits and Child Trust Fund endowments	10,078,462	—	10,078,462				
National Savings and Investments	169,794	10,000	179,794	167,673	10,000	177,673	
1 Reducing the costs to the taxpayer of government borrowing now and in the future	169,794	10,000	179,794				
Office for National Statistics	137,980	22,644	160,624	129,340	34,791	164,131	
1 Providing statistical and registration services	137,980	22,644	160,624				
Cabinet Office	224,409	1,735	226,144	202,854	1,735	204,589	
1 Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	224,409	1,735	226,144				
Security and Intelligence Agencies	1,137,322	54,238	1,191,560	1,135,958	99,030	1,234,988	
1 Protecting and promoting the national security and economic well being of the UK	1,137,322	54,238	1,191,560				

Table 1.3 Supplementary Estimates by department (Continued)						£'000s
RfR Service	Present net provision	Resources Increase proposed	New net provision	Present requirement	Cash Increase proposed	New requirement
Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England	21,567	891	22,458	22,082	2,493	24,575
1 To undertake the work of the Parliamentary Commissioner for Administration and Health Service Commissioner for England	21,567	891	22,458			
Total		3,183,848			4,677,710	

Departmental Expenditure Limits for Department/Group	Resources				Capital			
	DEL change	New DEL	of which Voted	Non voted	DEL change	New DEL	of which Voted	Non voted
Department for Education and Skills (1)	-661	26,320,633	9,647,678	16,672,955	-	4,445,129	3,134,468	1,310,661
Department of Health (2)	-173,914	74,916,559	75,381,126	-464,567	-	3,819,054	1,102,192	2,716,862
Department for Transport	-13,623	8,806,012	6,343,955	2,462,057	-4,300	3,295,660	1,847,126	1,448,534
Office of Rail Regulation	2,000	2,001	2,001	-	4,300	4,800	4,800	-
ODPM Main	-279,336	5,981,679	4,188,973	1,792,706	511,242	3,486,821	1,417,094	2,069,727
ODPM (LG)	17,689	46,290,821	46,186,286	104,535	38,599	387,350	378,740	8,610
Home Office	18,813	12,761,597	10,821,095	1,940,502	36,531	1,198,031	947,974	250,057
Assets Recovery Agency	1,547	16,748	16,748	-	11	361	361	-
Charity Commission	1,600	32,093	32,093	-	205	1,604	1,604	-
Department for Constitutional Affairs (3)	79,130	3,742,767	1,659,970	2,082,797	33,694	171,256	169,227	2,029
Law Officers Departments (4)	44,705	695,503	695,503	-	50	14,950	14,950	-
Ministry of Defence	450,824	32,956,550	31,674,758	1,281,792	-341,719	6,538,281	6,537,537	744
Foreign and Commonwealth Office	16,047	1,829,530	1,776,817	52,713	-	122,978	121,978	1,000
Department for International Development	-20,954	4,452,090	3,814,516	637,574	12,000	42,000	42,000	-
Department of Trade and Industry (5)	232,122	6,000,144	80,185	5,919,959	73,266	374,406	-257,174	631,580
UK Trade & Investment	-	100,047	100,047	-	-	248	248	-
Export Credits Guarantee Department	-	602	602	-	-	505	505	-
Office of Fair Trading	-	57,005	57,005	-	-	1,398	1,398	-
Office of Gas and Electricity Markets	-	701	701	-	-	950	950	-
Postal Services Commission	-500	-499	-499	-	500	650	650	-
Department for the Environment, Food and Rural Affairs	12,238	3,031,201	2,253,666	777,535	-	338,700	215,203	123,497
Forestry Commission	1,322	82,590	79,937	2,653	-	90	790	-700
Office of Water Services	-	1	1	-	-	300	300	-
Department of Culture, Media and Sport	19,111	1,557,978	199,881	1,358,097	73,862	170,846	83,539	87,307
Department for Work and Pensions	143,425	8,530,452	6,815,271	1,715,181	60,158	406,342	396,414	9,928
Scottish Executive	77,910	21,483,200	-	21,483,200	-18,886	1,882,193	-	1,882,193
National Assembly for Wales	1,112	11,308,423	-	11,308,423	95	935,071	-	935,071
Northern Ireland Departments	-	7,288,783	-	7,267,505	-	65,928	-	33,470
Northern Ireland Office	-131	1,199,288	326,557	872,731	-	409,802	35,661	47,075
HM Treasury	-	256,064	217,656	38,408	-	7,200	7,200	-
HM Revenue & Customs	50,249	4,660,125	4,300,640	359,485	99,950	373,846	370,869	2,977
National Savings and Investment	9,500	179,794	179,794	-	-	500	500	-
Office for National Statistics	3,944	170,924	161,624	9,300	-	27,570	21,070	6,500
Government Actuary's Department	-	1,127	1,127	-	-	238	238	-
Cabinet Office (6)	1,735	226,860	226,860	-	-	25,000	25,000	-
Security and Intelligence Agency	51,838	1,208,160	1,191,560	16,600	43,883	248,883	242,883	6,000
Privy Council Office	-	4,382	4,232	150	-	107	107	-
Office of the Parliamentary Commissioner and Health Service Commissioners	891	22,615	22,458	157	1,500	3,000	3,000	-
House of Lords	-	106,056	106,056	-	-	4,750	4,750	-
House of Commons, Members salaries	-	152,689	152,689	-	-	348	348	-
House of Commons: administration	-	277,992	277,992	-	-	12,220	12,220	-
National Audit Office	-	65,894	65,717	177	-	1,480	1,480	-
Electoral Commission	-	24,101	24,101	-	-	664	664	-
Total	748,633	286,801,282	209,087,379	77,692,625	624,941	28,821,510	16,888,864	11,573,122

(1) Includes Sure Start and the Office of Her Majesty's Chief Inspector of Schools in England.

(2) Includes Food Standards Agency

(3) Includes Department for Constitutional Affairs, Northern Ireland Court Service, The National Archives, Scotland Office and Wales Office.

(4) Includes Crown Prosecution Service, Serious Fraud Office, HM Procurator General and Treasury Solicitor and Revenue and Customs Prosecutions Office.

(5) Includes Department of Trade and Industry: UKAEA pension schemes

(6) Includes Central Office of Information.

Table 1.5 Central Government Departments: changes in 2005-06 administration budgets			£'000
	Present Administration budgets	Changes in Administration budgets	Revised Administration budgets
Department for Education and Skills	250,689	1,059	251,748
Department of Health	248,688	-1,059	247,629
Department for Transport	242,112	22,446	264,558
Office of Rail Regulation	1	2,000	2,001
Office of the Deputy Prime Minister	287,251	48,107	335,358
Home Office	698,671	5,855	704,526
Assets Recovery Agency	3,897	114	4,011
Charity Commission	30,493	1,660	32,153
Department for Constitutional Affairs	427,350	18,331	445,681
Northern Ireland Court Service	9,490	-4,484	5,006
Serious Fraud Office	24,975	2,200	27,175
Revenue and Customs Prosecutions Office	17,201	2,211	19,412
Foreign and Commonwealth Office	797,638	-1,400	796,238
Department of Trade and Industry	398,396	-6,873	391,523
Department for Environment, Food and Rural	317,064	25,000	342,064
Department for Culture, Media and Sport	49,268	-298	48,970
Department for Work and Pensions	6,019,407	39,855	6,059,262
Northern Ireland Office	94,805	-131	94,674
HM Revenue and Customs	4,475,568	47,720	4,523,288
National Savings and Investments	170,294	9,500	179,794
Office for National Statistics	166,430	3,944	170,374
Security and Intelligence Agencies	621,208	17,076	638,284
Total changes in Administration budgets		232,833	

Table 1.6 Six months' provisional resource outturn by Request for Resources, 2005-06				£ million
RfR Service	Total Resource Provision at Main Estimates	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
Department for Education and Skills	29,361.3	14,454.0	15,636.6	108.18
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	27,998.9	13,976.0	15,141.9	108.34
2 Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,167.1	390.4	422.5	108.22
3 Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	195.3	87.6	72.2	82.41
Teachers' Pension Scheme (England & Wales)	22,222.2	18,923.0	15,824.7	83.63
1 Teachers' pensions	22,222.2	18,923.0	15,824.7	83.63
Office of Her Majesty's Chief Inspector of Schools in England	220.0	101.1	81.4	80.49
1 Improving the quality and standards of education and childcare through independent inspection regulation & advice	220.0	101.1	81.4	80.49
Department of Health	61,323.7	30,665.5	30,781.7	100.38
1 Securing health care for those who need it	57,771.6	28,885.8	29,003.5	100.41
2 Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,542.1	1,774.7	1,768.3	99.64
3 Office of the Independent Regulator for NHS Foundation Trusts	10.0	5.0	10.0	200.08
National Health Service Pension Scheme	25,515.6	12,757.0	13,458.0	105.50
1 National Health Service Pension Scheme	25,515.6	12,757.0	13,458.0	105.50
Food Standards Agency	143.5	64.8	67.7	104.51
1 Protecting and promoting public health in relation to food	143.5	64.8	67.7	104.51
Department for Transport	11,430.0	5,888.1	5,614.4	95.35
1 Promoting modern, integrated and safe transport and providing customer-focussed regulation	11,430.0	5,888.1	5,614.4	95.35
Office of Rail Regulation	1.0	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
1 To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation	1.0	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Office of the Deputy Prime Minister	55,727.8	25,426.4	26,412.5	103.88
1 Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	8,607.5	3,758.4	3,905.3	103.91
2 Providing for effective devolved decision making within a national framework	47,120.3	21,668.0	22,507.2	103.87
Home Office	13,267.4	6,127.8	6,450.0	105.26
1 Building a safe, just and tolerant society	13,267.4	6,127.8	6,450.0	105.26

Table 1.6 Six months' provisional resource outturn by Request for Resources, 2005-06 (cont)		£ million		
	Total Resource Provision at Main Estimates	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
RfR Service				
Assets Recovery Agency	15.2	7.6	7.7	100.79
1 Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	15.2	7.6	7.7	100.79
Charity Commission	30.5	15.2	17.1	112.50
1 Giving the public confidence in the integrity of charity	30.5	15.2	17.1	112.50
Department for Constitutional Affairs	34,993.4	11,973.8	12,065.9	100.77
1 To promote the development of a modern, fair, cost effective and efficient system of justice for all	3,487.8	1,533.8	1,743.9	113.70
2 Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	20,883.7	10,440.0	10,322.0	98.87
3 To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	10,622.0	N/A	N/A	N/A
Department for Constitutional Affairs: Judicial Pension Scheme	164.1	90.0	87.0	96.67
1 Judicial Pensions Scheme	164.1	90.0	87.0	96.67
Northern Ireland Court Service	96.7	48.6	53.6	110.45
1 Supporting the effective and efficient administration of justice in Northern Ireland	96.7	48.6	53.6	110.45
The National Archives: Public Record Office and Historical Manuscripts Commission	39.4	18.4	17.9	97.17
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	39.4	18.4	17.9	97.17
The Crown Prosecution Service	558.6	278.6	277.7	99.68
1 Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	558.6	278.6	277.7	99.68
Serious Fraud Office	35.8	13.6	13.5	99.04
1 Reducing fraud and the cost of fraud and delivering justice and the rule of law	35.8	13.6	13.5	99.04
HM Procurator General and Treasury Solicitor	13.8	5.1	5.1	100.00
1 Providing comprehensive and competitive legal services to government departments and publicly funded bodies	13.8	5.1	5.1	100.00
Revenue and Customs Prosecutions Office	35.6	15.8	17.0	107.74
1 The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	35.6	15.8	17.0	107.74
Ministry of Defence	34,611.9	16,398.9	18,189.4	110.92
1 Provision of defence capability	33,497.9	15,869.3	17,653.3	111.24
2 Conflict prevention	45.0	N/A	N/A	N/A
3 War Pensions and Allowances, etc	1,069.0	529.6	536.1	101.23

Table 1.6 Six months' provisional resource outturn by Request for Resources, 2005-06 (cont)		£ million		
	Total Resource Provision at Main Estimates	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
RfR Service				
Armed Forces retired pay, pensions etc	14,375.5	1,876.0	2,203.5	117.46
1 Armed Forces retired pay, pensions etc	14,375.5	1,876.0	2,203.5	117.46
Foreign and Commonwealth Office				
1 Promoting internationally the interests of the UK and contributing to a strong world community	1,778.8	754.0	811.8	107.66
1 Promoting internationally the interests of the UK and contributing to a strong world community	1,542.9	659.9	693.9	105.14
2 Conflict prevention	235.9	94.1	117.9	125.33
Department for International Development				
1 Eliminating poverty in poorer countries	3,867.0	1,074.7	1,663.5	154.78
1 Eliminating poverty in poorer countries	3,819.4	1,060.2	1,649.9	155.62
2 Conflict prevention	47.6	14.5	13.6	93.59
Department for International Development: Overseas superannuation				
1 Overseas superannuation	154.3	110.0	111.2	101.10
1 Overseas superannuation	154.3	110.0	111.2	101.10
Department of Trade and Industry				
1 Increasing UK competitiveness	10,161.8	1,703.9	1,915.8	112.44
1 Increasing UK competitiveness	7,430.6	467.0	363.2	77.77
2 Increasing Scientific Excellence in the UK and maximising its contribution to society	2,731.2	1,236.9	1,552.6	125.52
UK Trade & Investment				
1 To enhance the competitiveness of companies in the UK through overseas trade and investment; and ensure a high level of quality foreign direct investment	100.1	40.0	38.5	96.14
1 To enhance the competitiveness of companies in the UK through overseas trade and investment; and ensure a high level of quality foreign direct investment	100.1	40.0	38.5	96.14
Department of Trade and Industry: UKAEA pension schemes				
1 Effective management of UKAEA pension schemes	595.6	122.0	32.6	26.72
1 Effective management of UKAEA pension schemes	595.6	122.0	32.6	26.72
Export Credits Guarantee Department				
1 To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	154.6	98.7	31.9	32.33
1 To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	154.6	98.7	31.9	32.33
2 To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports	N/A	N/A	N/A	N/A
Office of Fair Trading				
1 Advancing and safeguarding the economic interests of UK consumers	57.1	24.1	24.1	100.00
1 Advancing and safeguarding the economic interests of UK consumers	57.1	24.1	24.1	100.00
Office of Gas and Electricity Markets				
1 Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry	0.7	0.3	0.3	86.21
1 Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry	N/A	N/A	N/A	N/A
2 Expenditure in connection with the Climate Change levy	0.7	0.3	0.3	86.21
Postal Services Commission				
1 Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1.0	N/A	N/A	N/A
1 Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1.0	N/A	N/A	N/A

Table 1.6 Six months' provisional resource outturn by Request for Resources, 2005-06 (cont) £ million

RfR Service	Total Resource Provision at Main Estimates	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
Department for Environment, Food and Rural Affairs	5,699.5	2,376.0	2,283.3	96.10
1 Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.	5,699.5	2,376.0	2,283.3	96.10
Forestry Commission	78.6	41.1	45.8	111.35
1 To implement the programmes of the England Forestry Strategy	61.2	32.4	35.7	110.19
2 To take the lead in development and promotion of sustainable forest management and to support its achievement nationally	17.5	8.7	10.1	115.69
Office of Water Services	1.0	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
1 Regulation of the Water Industry	1.0	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Department for Culture, Media and Sport	3,811.1	2,063.6	2,128.8	103.16
1 Improving the quality of life through cultural and sporting activities	1,412.0	695.4	688.8	99.05
2 Broadening access to a rich and varied cultural and sporting life through home broadcasting	2,399.1	1,368.2	1,440.0	105.25
Department for Work and Pensions	61,315.5	29,140.3	29,238.8	100.34
1 Ensuring the best start for all children and ending child poverty in 20 years	308.9	154.5	186.6	120.78
2 Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	34,259.0	17,170.2	17,440.2	101.57
3 Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	10,472.6	3,658.9	3,614.7	98.79
4 Improve the rights and opportunities for disabled people in a fair and inclusive society	14,188.8	7,113.6	7,009.5	98.54
5 Corporate contracts and support services	2,086.2	1,043.1	987.8	94.70
Northern Ireland Office	11,276.1	4,769.6	4,857.5	101.84
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	1,139.1	569.6	577.5	101.39
2 Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.	10,137.0	4,200.0	4,280.0	101.90

Table 1.6 Six months' provisional resource outturn by Request for Resources, 2005-06 (cont)				£ million
	Total Resource Provision at Main Estimates	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
RfR Service				
HM Treasury	319.5	131.6	136.0	103.34
1 Raising the rate of sustainable growth and achieving rising prosperity and a better quality of life with economic and employment opportunities for all	241.3	105.1	100.0	95.15
2 Cost effective management of the supply of coins and actions to protect the integrity of coinage	36.5	12.9	11.1	86.05
3 Obtaining the best value for money from Government's commercial relationships on a sustainable basis	41.8	13.6	24.9	183.09
HM Revenue and Customs	14,603.7	6,649.4	7,137.9	107.35
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	4,398.8	1,828.4	1,942.8	106.26
2 Growing a contribution to the good management of property where the public interest is involved	1.0	N/A	N/A	N/A
3 Providing payments in lieu of tax relief to certain bodies	90.0	60.5	42.8	70.71
4 Making payments of rates to Local Authorities on behalf of certain bodies	35.4	17.1	15.5	90.58
5 Payments of Child Benefit and Child Trust Fund endowments	10,078.5	4,743.4	5,136.9	108.29
National Savings and Investments	169.8	83.4	85.3	102.28
1 Reducing the costs to the taxpayer of government borrowing now and in the future	169.8	83.4	85.3	102.28
Office for National Statistics	138.0	90.8	83.1	91.52
1 Providing statistical and registration services	138.0	90.8	83.1	91.52
Government Actuary's Department	1.1	0.3	0.5	182.00
1 Providing an actuarial consultancy service	1.1	0.3	0.5	182.00
Crown Estate Office	2.1	1.1	1.1	99.53
1 To maintain and enhance the value of the Crown Estate and the return obtained from it	2.1	1.1	1.1	99.53
Cabinet Office	224.4	120.5	98.3	81.54
1 Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	224.4	120.5	98.3	81.54
Security and Intelligence Agencies	1,137.3	448.5	567.4	126.51
1 Protecting and promoting the national security and economic well being of the UK	1,137.3	448.5	567.4	126.51
Cabinet Office: Civil superannuation	15,293.1	7,647.0	8,400.0	109.85
1 Civil superannuation	15,293.1	7,647.0	8,400.0	109.85
Central Office of Information	0.7	0.4	0.5	133.33
1 Achieving maximum communication effectiveness with best value for money	0.7	0.4	0.5	133.33
Privy Council Office	4.2	2.1	2.3	108.13
1 Ensuring the orderly conduct of Privy Council Office business	4.2	2.1	2.3	108.13

Table 1.6 Six months' provisional resource outturn by Request for Resources, 2005-06 (cont)		£ million		
	Total Resource Provision at Main Estimates	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
RfR Service				
Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England	21.6	8.6	10.9	126.74
1 To undertake the work of the Parliamentary Commissioner for Administration and Health Service Commissioner for England	21.6	8.6	10.9	126.74
House of Lords				
1 Members' expenses and administration, etc.	107.9	46.0	42.7	92.83
House of Commons: Members				
1 Members' salaries, allowances and other costs	152.7	72.0	72.0	100.00
House of Commons: Administration				
1 House of Commons: Administration	279.3	128.4	128.4	100.00
2 Grants to other bodies	1.2	0.6	0.6	100.00
National Audit Office				
1 Providing independent assurance to Parliament and other organisations on the management of public resources	65.7	N/A	N/A	N/A
Electoral Commission				
1 Electoral Commission	24.1	12.4	10.4	83.47
Total	435,782.0	202,910.7	207,243.5	102.14

Section 2.

Supplementary Estimates

Department for Education and Skills

Introduction

- This Supplementary Estimate is required for the following purposes:

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

Increases:

Transfers from OGD's

- Programme Resource

Amount £5,220,000

Transfer from the Department of Health £2,989,000 for Academic GP's (£500,000), Protection of Vulnerable Adults (£1,059,000), Bichard Vetting and Barring Scheme (£1,430,000); from the Home Office £1,231,000 for Youth Volunteering Challenge; from the Office of the Deputy Prime Minister £1,000,000 for the Universities of Cornwall.

Transfers from RFR 2

- Programme Resource

Amount £11,516,000

Transfer to RFR1 section B £2,000,000 for Schools Foundation Stage Strand, section E £300,000 for the Step into Learning Project.

Transfer to RFR1 Non-Budget for the National College for School Leadership £7,000,000 for the Professional Qualification Integrated Leadership Centre; the Training and Development Agency for Schools £2,000,000 for Early Years Sector Endorsed Foundation Degree Bursaries; the Qualifications and Curriculum Authority £216,000 for the Foundation Stage Profile.

Transfers from Central Funds

- Programme Resource

Amount £23,480,000

Draw down in section C of £1,480,000 for Invest to Save Budget 203 for the Kids Company; Draw down in section S and Non-budget of £22,000,000 for Education Maintenance Allowances.

Decreases:

Transfers to OGD's

- Programme Resource

Amount £7,419,000

Transfer to the Home Office £4,436,000 for Offenders Education (£1,534,000), Young Peoples Substance Misuse (£1,202,000), Education in Contracted Prisons (£1,700,000); to the Department for Culture, Media and Sport £1,650,000 for Strategic Commissioning (£1,620,000), the Creativity Review (£30,000); to Her Majesty's Revenue and Customs £863,000 for Savings Gateway Pilots Project Costs, to the Department of Trade and Industry £451,000 for the National Council for Graduate Entrepreneurship (£350,000), Review Bodies Members Fees (£101,000); to the Department for International Development £19,000 for UK Presidency Gift Donations.

Transfers to RFR 2

- Programme Resource

Amount £24,000,000

Transfer to RFR2 section A £5,000,000 for the Early Support Programme; section B £19,000,000 for Local Authority Children's Centres.

Introduction (*continued*)

- 2 Programme Resource
Amount £1,000
Transfer to RFR3 section B £1,000 for a token increase due to the re-classification of Central Government spend to Local Authorities.

Neutral Changes:

Increases / Decreases in gross spending offset by Appropriations In Aid

- 1 Amount £9,568,000
Increase in gross provision and appropriations in aid on section A by £709,000 for Evaluation and Research (£326,000), General Administration from Other Government Department's (£383,000); section D by £25,000 for International Higher Education programmes; section F by £4,210,000 for the Get On Campaign and Skills for Work and Life project (1,416,000), for Post 16 Citizenship Development (£899,000), Community Champions and National Employer Engagement Projects (£1,798,000), for European Union's contribution towards the EU Presidency (£97,000). Increase in gross provision and appropriations in aid in Non-Budget £4,624,000 for Inspection of Jobcentre Plus by the Adult Learning Inspectorate.
- 2 Amount £35,302,000
Decrease on section E by £35,000,000 for a reduction in Scientific Research Investment Fund; section F by £302,000 for Income Generation Opportunity (£300,000) and Rent from European Schools (£2,000).

Resource Transfers between sections within the Estimate

- 1 Movement from section A £410,000,000 to section B for School Meals (£60,000,000) and section I for Schools Standards (£350,000,000). Movement from section Q £60,160,000 to section S for Qualifications and Curriculum Authority Grant in Aid.
- 2 Movement from section B £500,000 to non-budget for the Adventure Activities Licensing Authority. Movement from section C £5,440,000 to non-budget for the Children's Commissioner (£1,140,000), to the Training and Development Agency for Schools for Extended Schools (£4,000,000) and IIP UK project (£300,000). Movement from section F £163,695,000 to non-budget for programme transfers to the Learning and Skills Council. Movement from section L £1,860,000 to non-budget for the Children's Commissioner. Movement from section N £402,900,000 to non-budget for Education Maintenance Allowance transfer to the Learning and Skills Council. Movement from section O £100,000 to non-budget for Education Maintenance Allowance transfer to the Learning and Skills Council.
- 3 Movement from non-voted £300,000 to section A for Quality Review, from non-budget £1,034,000 to section B for the General Teaching Council.
- 4 Movement within section R and non-budget £500,000 for the Office For Fair Access.

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

Increases:

Transfers from RFR 1

- 1 Programme Resource
Amount £24,000,000
Transfer from RFR1 £5,000,000 to section A for the Early Support Programme; section B £19,000,000 for Local Authority Children's Centres.

Transfers from Central Funds

- 1 Programme Resource
Draw down in section A of £58,000 for Invest to Save Budget 424/7 Supporting Families.

Introduction (*continued*)

Decreases:

Transfers to RFR 1

- 1 Programme Resource
Amount £11,516,000
Transfer to RFR1 section B £2,000,000 for Schools Foundation Stage Strand, section E £300,000 for the Step into Learning Project.
Transfer to RFR1 Non-Budget for the National College for School Leadership £7,000,000 for the Professional Qualification Integrated Leadership Centre; the Training and Development Agency for Schools £2,000,000 for Early Years Sector Endorsed Foundation Degree Bursaries; the Qualifications and Curriculum Authority £216,000 for the Foundation Stage Profile.

Neutral Changes:

Increases / Decreases in gross spending offset by Appropriations In Aid

- 1 Amount £8,465,000
Increase in the gross provision and appropriations in aid on section A by £8,465,000 for European Social Fund (£8,175,000) and Childcare Information Service (£290,000).

RFR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and

Increases:

- 1 Programme Resource
Amount £1,000
Transfer from RFR1 section C £1,000 for a token increase due to the re-classification of Central Government spend to Local Authorities.

Neutral Changes:

Resource Transfers between sections within Estimates

- 1 Amount £126,801,000
Movement from section A to new section B for Children's Fund programmes delivered through Local Authorities.
2. As a result of these changes there is an increase in the net cash requirement of £21,339,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

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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	8,796,000
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	12,542,000
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund	1,000
Total additional net resource requirement	21,339,000
Additional net cash requirement	21,339,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for Education and Skills on:

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

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

Part I (*continued*)

voluntary, community and business support organisations; the resource consequences of loans to students, reimbursement of fees for qualifying European Community students and post graduate awards; mandatory student awards and their administration; student loans and the cost of sales of the student loans debt; grants to the Royal Anniversary Trust, grants in aid to the Higher Education Funding Council for England, the Learning and Skills Council, the Adult Learning Inspectorate, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency and Sector Skills Development Agency; grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Department's under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

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

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

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

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

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

Part II: Changes proposed

£'000

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

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Activities to Support all Functions	807,395	-408,795	709	-409,504	397,891
RfR 1 - B	Support for Schools and Teachers not through Local Education Authorities	1,289,179	41,783	-	41,783	1,330,962
RfR 1 - C	Support for Children and Families not paid through Local Authorities	815,969	-7,502	-	-7,502	808,467
RfR 1 - D	Higher Education	112,613	1,175	25	1,150	113,763
RfR 1 - E	Higher Education Receipts from the Department of Trade and Industry	-453,946	-	-35,000	35,000	-418,946
RfR 1 - F	Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes	818,673	-164,720	1,928	-166,648	652,025
RfR 1 - I	Current Grants for Local Education Authorities to Support Schools and Teachers	3,510,753	350,000	-	350,000	3,860,753
RfR 1 - L	Current Grants to Local Authorities to Support Children and Families	129,014	-1,860	-	-1,860	127,154

Spending in Annually Managed Expenditure (AME)

RfR 1 - N	Education Maintenance Allowance's not through Local Education Authorities	402,900	-402,900	-	-402,900	-
RfR 1 - O	Education Maintenance Allowance's through Local Education Authorities	100	-100	-	-100	-

Non-budget

RfR 1 - P	Grant in Aid to NDPBs supporting Schools	661,600	12,466	-	12,466	674,066
RfR 1 - Q	Grant in Aid to NDPBs supporting Children and Families	149,160	-57,160	-	-57,160	92,000
RfR 1 - R	Loans to Students and Grant in Aid to NDPBs supporting Higher Education	6,146,741	-35,000	-	-35,000	6,111,741
RfR 1 - S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning	9,304,332	649,071	-	649,071	9,953,403

Total RfR 1

-23,542	-32,338	8,796
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RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare

Spending in Departmental Expenditure Limits (DEL)

RfR 2 - A	Sure Start Current Grants not through Local Authorities	590,438	2,007	8,465	-6,458	583,980
RfR 2 - B	LA Current Grants	312,993	19,000	-	19,000	331,993
Total RfR 2			21,007	8,465	12,542	

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund					
Spending in Departmental Expenditure Limits (DEL)					
RfR 3 - A Children's Fund	195,252	-126,801	-	-126,801	68,451
RfR 3 - B LA Current Grants	-	126,802	-	126,802	126,802
Total RfR 3		1	-	1	
Total Changes to RfRs		-2,534	-23,873	21,339	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	2,682,520	-	2,682,520
Non-Operating A in A	482,575	-	482,575
Net cash requirement	31,663,274	21,339	31,684,613

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To help build a competitive economy and inclusive society by creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves, and achieving excellence in standards of education and levels of skills								
255,059	179,195	28,008,930	28,443,184	435,450	28,007,734	2,682,006	482,575	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Activities to Support all Functions								
255,059	41,501	111,856	408,416	10,525	397,891	10,190	575	
B Support for Schools and Teachers not through Local Education Authorities								
-	9,100	1,321,862	1,330,962	-	1,330,962	-	-	
C Support for Children and Families not paid through Local Authorities								
-	23,442	785,595	809,037	570	808,467	-	-	
D Higher Education								
-	32,198	81,670	113,868	105	113,763	-	-	
E Higher Education Receipts from the Department of Trade and Industry								
-	-	-	-	418,946	-418,946	-	-	
F Further Education, Adult Learning and Skills for Lifelong Learning and International Programmes								
-	72,280	585,049	657,329	5,304	652,025	-	-	
G Support for Students in Higher Education								
-	-	1,362,528	1,362,528	-	1,362,528	-	-	
H Compensation to Former College of Education Staff								
-	-	355	355	-	355	-	-	
<i>Capital Modernisation Fund Supporting all Functions</i>								
-	-	-	-	-	-	-	-	
<i>Support for Local Authorities</i>								
I Current Grants for Local Education Authorities to Support Schools and Teachers								
-	-	3,860,753	3,860,753	-	3,860,753	-	-	
J Capital Grants for Local Education Authorities to Support School								
-	-	2,832,844	2,832,844	-	2,832,844	-	-	
K Higher Education Fees and Awards through Local Education Authorities								
-	-	81,500	81,500	-	81,500	-	-	
L Current Grants to Local Authorities to Support Children and Families								
-	-	127,154	127,154	-	127,154	-	-	
M Capital Grants to Local Authorities to Support Children and Families								
-	-	27,228	27,228	-	27,228	-	-	
<i>Capital Modernisation Fund through Local Education Authorities</i>								
-	-	-	-	-	-	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
N Education Maintenance Allowance's not through Local Education Authorities								
-	-	-	-	-	-	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<i>Support for Local Authorities</i>								
O	Education Maintenance Allowance's through Local Education Authorities		-	-	-	-	-	
Non-budget								
P	Grant in Aid to NDPBs supporting Schools		674,066	674,066	-	674,066	-	
Q	Grant in Aid to NDPBs supporting Children and Families		92,000	92,000	-	92,000	-	
R	Loans to Students and Grant in Aid to NDPBs supporting Higher Education		6,111,741	6,111,741	-	6,111,741	2,671,816	
S	Grant in Aid to NDPBs supporting Further Education, Adult Education and Skills and Lifelong Learning		674	9,952,729	9,953,403	-	9,953,403	-
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare								
-	6,212	1,181,893	1,188,105	8,465	1,179,640	500	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Sure Start Current Grants not through Local Authorities		6,212	586,233	592,445	8,465	583,980	500
<i>Support for Local Authorities</i>								
B	LA Current Grants		331,993	331,993	-	331,993	-	
C	LA Capital Grants		263,667	263,667	-	263,667	-	
RfR 3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund								
-	58	195,195	195,253	-	195,253	14	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Children's Fund		58	68,393	68,451	-	68,451	14
<i>Support for Local Authorities</i>								
B	LA Current Grants		126,802	126,802	-	126,802	-	
Total for Estimate:								
255,059	185,465	29,386,018	29,826,542	443,915	29,382,627	2,682,520	482,575	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	29,361,288	21,339	29,382,627
Voted capital items			
Capital expenditure	2,682,520	-	2,682,520
<i>Less: non-operating A in A</i>	<u>482,575</u>	<u>-</u>	<u>482,575</u>
Total net voted capital	2,199,945	-	2,199,945
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,970	-	-3,970
Depreciation	-9,175	-	-9,175
New provisions and adjustments to previous provisions	617,915	-	617,915
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520,675	-	-520,675
Increase(+)/decrease (-) in stock	44	-	44
Increase(+)/decrease (-) in debtors	-426	-	-426
Increase(-)/decrease (+) in creditors	10,363	-	10,363
Use of provisions	<u>7,965</u>	<u>-</u>	<u>7,965</u>
Total accruals to cash adjustments	102,041	-	102,041
Excess cash to be CFERd	-	-	-
Net cash requirement	31,663,274	21,339	31,684,613

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	75,039	<i>69,797</i>	75,039	<i>75,039</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	<u>75,039</u>	<u><i>69,797</i></u>	<u>75,039</u>	<u><i>75,039</i></u>

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR1	251,748
RfR2	-
RfR3	-
Total Net Administration Costs	251,748
Net Programme Costs	
RfR1	27,755,986
RfR2	1,179,640
RfR3	195,253
Total Net Programme costs	29,130,879
Total Net Operating Cost	29,382,627
<i>of which:</i>	
Net Resource Outturn	29,382,627
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	26,669,119

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	29,382,627
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	29,382,627
<i>Adjustments to remove:</i>	
capital grants to local authorities	-3,123,739
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	619,366
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-213,835
unallocated resource provision	4,700
Other adjustments	-
Resource Budget Outturn (Budget)	26,669,119
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	26,100,633
Annually Managed Expenditure (AME)	568,486

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	2,199,945
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	7,399
capital grants to local authorities	3,123,739
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	1,307,202
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-2,189,816
Capital Budget Outturn (Budget)	4,448,469
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,444,529
Annually Managed Expenditure (AME)	3,940

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sir David Normington, Permanent Head of the Department
Request for Resources 2	Sir David Normington, Permanent Head of the Department
Request for Resources 3	Sir David Normington, Permanent Head of the Department

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

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
European and International receipts	1,545	-
Career Development Loans	220	-
Publicity and evaluation	746	-
General Administration receipts	1,401	-
Rent from minor occupiers	1,910	-
Admin receipts - land	-	319
Admin receipts - other	-	256
Repayment of principal on student loans	-	482,000
Higher Education Business Fellows (from DTI)	46	-
Educational Qualification Receipts	899	-
Higher Education Innovation Fund (from DTI)	122,000	-
Connexions Card receipts	1,270	-
Research Investment Fund	296,900	-
Miscellaneous programme receipts	-	-
General Administration programme receipts	6,468	-
UK Presidency of EU receipts	97	-
Programme receipts	1,948	-
Voluntary aided school capital	-	-
Voluntary aided school interest receipts	-	-
Voluntary aided school loan repayments	-	-
Total RfR1	435,450 *	482,575 **

* Amount that may be applied as appropriations in aid in addition to the net total, arising from European Fast Stream receipts; repayment of career development loans; repayments of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; sale of National Record of Achievement products; receipts in connection with Childcare Link; Training and Enterprise Councils (TECs) contributions towards the cost of Individual Learning Accounts; receipts covering the return of assets from TECs as part of their winding-up process; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Skills Training Agency, Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools and TEC properties; receipts from the sale of surplus properties; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications; repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund to departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; profits on the sale of surplus equipment and other assets; repayment of fees and awards overpaid to Higher Education students; receipts from the Department of Trade and Industry in connection with the Higher Education Reach Out to Business and the Community Fund, the Higher Education Innovation Fund, Higher Education Business Fellows, Sector Challenge and the Science and Research Investment Fund; from the Home Office as a contribution to the Home Start programme; sales of Connexions priced publications; Sponsorship Funding; rent income from three domestic properties on the estate of the European School at Culham, Oxfordshire; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; International Receipts; Schools Standard Fund receipts; Food Standards Agency receipts; and of research and miscellaneous services and projects.

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

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating	Non
	A in A	operating
	A in A	A in A
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare		
European Social fund receipts	8,175	-
Scottish Executive Contribution to Childcare Information Services	290	-
Total RfR2	8,465 *	- **
* Amount that may be applied as appropriations in aid in addition to the net total, arising from European Social Fund receipts and Scottish Executive Childcare Information Service receipts.		
Total A in A	443,915	482,575
<i>of which: Administration budgets</i>	<i>3,311</i>	<i>-</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-661	9,427,678	16,672,955	26,100,633
<i>of which : Administration Budget</i>	<i>1,059</i>	<i>251,748</i>	<i>-</i>	<i>251,748</i>
Capital	-	3,133,868	1,310,661	4,444,529
Depreciation*	-	-9,175	-35,596	-44,771
Total	-661	12,552,371	17,948,020	30,500,391

*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

926,490

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

Expenditure resting on the sole authority of the Appropriation Act

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

Subhead	Service		£'000
D	Grants to the Royal Anniversary Trust to cover costs associated with the Higher and Further Education Awards Scheme (Queen's Anniversary Prizes)	■	167
C	Grants to support Marriages and Relationships	■	900

Notes to the Estimate (*continued*)

Grants in Aid

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

Non-Departmental Public Body		£ million
Adult Learning Inspectorate (ALI)	♥	23.4
Adventure Activity Licensing Authority		0.5
British Educational Communications and Technology Agency (BECTA)	♦	6.0
Children's Commissioner	♥	3.0
Higher Education Funding Council for England (HEFCE)	♥	6,700.7
Children and Family Court Advisory and Support Service	♥	89.0
Investors in People UK (IiP UK)	♦	5.2
Learning and Skills Council	♥	9,804.8
National College for School Leadership	♦	98.9
Office for Fair Access	♥	0.5
Qualifications and Curriculum Authority	♥	60.4
Quality Improvement Agency		-
Sector Skills Development Agency	♦	58.8
Student Loans Company	♦	30.8
Training and Development Agency for Schools	♥	565.8

Contingent Liabilities

As at 31 March 2005, the following liabilities fell to be met from the Department's Estimate:

	Amount outstanding as at 31 March 2005 (£'000)
Non-statutory	
The department will meet the accrued Civil Service redundancy entitlement to date of	59,000
a) their TEC makes them redundant due to direct government action due to 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.	
The department has an will continue to give indemnities to Training and Enterprise Councils (TECs), chamber of Commerce Training and Enterprise Councils (CCTEs), 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, CCTEs and the Government, thereby ensuring the continuation of essential discretionary activity and the return of residual reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include:	
liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European union initiatives or through Single Regeneration Budget and other schemes sponsored by Government Departments other than DfES and F40;	90,165
Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have been transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal; and	1,140

Contingent Liabilities *(continued)*

Liabilities arising from properties leased by TECs/CCTEs 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 TECs/CCTEs.	7,150
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 (CCTE) property exists in the Croydon LLSC area an indemnity to give a landlord a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. this is because, to the landlord, the LSC is an unknown body with no financial history.	4,861
In order to ensure that the 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 (CCTE) property exists in the Brighton, Manchester or Coventry area an indemnity to give a landlords a guarantee that, in the event of the LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history.	35,803
In order to ensure that the Adult Learning Inspectorate (ALI) commences operations in April 2001 and because no suitable departmental property exists in the Coventry area an indemnity to give landlords a guarantee that, in the event of the ALI ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the ALI is an unknown body with no financial history.	4,788
Arrangements to allow the appointment of a receiver to manage the affairs of Merseyside Training and Enterprise Council (MTEC).	2,000
Arrangements to allow for the appointment of a receiver at any TEC we believe necessary.	6,000

Department of Health

Introduction

- This Supplementary Estimate is required for the following purposes:

RfR 1: Securing health care for those who need it

Increases:

Transfers from non voted spending

- Departmental unallocated provision (capital)
£200 million
Line H - NHS trusts PDC financing.
To enable an increase in the issue of loans of public dividend capital to trusts.

Transfers from other government departments

- Programme revenue DEL
£16,378
Line A- Strategic health authority and primary care trusts unified budget and central allocations.
Transfers from the Home Office for prison health care of £2.593 million (a further £16.392 million has also been transferred and has been reflected in the department's DEL), £12.3 million as a contribution to the drug treatment budget, £1.333 million additional funding to the National Treatment Agency, £0.105 million for hospital security and from Scotland £0.047 million for funding the high security infectious diseases unit.

Other increases.

- Transfers from another RfR
£70.343 million
Line A- Strategic health authority and primary care trusts unified budget and central allocations.
Transfer from RfR2 mainly for funding prison health care services, additional work undertaken by the Prescription Pricing Authority, funding of the regional public health group and clinical excellence awards

Line H - NDPB grant in aid
Increased funding for the Commission for Health Improvement.

Neutral Changes:

Increased spending offset by increased income

- £11.132 million
Line A- Strategic health authority and primary care trusts unified budget and central allocations.
Line H- NDPB income
To reflect current forecast of income £10.712 million from A5 and £0.420 million from H5

Decreases:

Transfers to other government departments

- Programme revenue DEL
£1.930 million
Line A- Strategic health authority and primary care trusts unified budget and central allocations.
£1.430 million to the Department for Education and Skills for Bichard Vetting and Barring scheme and £0.500m funding for academics.

Introduction (*continued*)

Other decreases

1. Transfers to RfR2
£75.397 million
Line A- Strategic health authority and primary care trusts unified budget and central allocations.
Mainly a transfer for increased European Economic Area medical costs and section 64 grants.
Line H - NDPB grant in aid

2. Change in the level of Annually Managed Expenditure
£9.393 million
Line G - Credit guarantee finance loans
Recalculation of capital charges and interest received on outstanding credit guarantee finance loans.

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

Increases:

Transfer from other government departments

1. £0.505 million
Line E - Other services
Transfer from the Home Office for change-up funding to help promote volunteering.

Other increases.

1. Transfers from RfR1
£75.397 million
Line E - Other services (£8.971 million)
Line F - Welfare Food/ EEA medical costs (£54 million)
Line G - Personal social services (£4.5 million)
Line T - Grant in aid to NDPBs (£7.926 million)
Transfer for increased EEA medical costs, grants to voluntary organisations and grant in aid funding of NDPBs.

Neutral Changes:

Increased spending offset by increased income

1. £2.569 million
Line A- Central department (£0.025 million)
Line B -NHS Purchasing and Supplies Authority (£0.442 million)
Line E- Other services (£1.328 million)
Line T - Grant in aid to NDPBs (£0.774 million)
Increased expenditure mainly for NDPBs, research and development, secondees and for payments to persons infected with hepatitis C from NHS blood products.

Reduced spending offset by reduced income

1. £36 million
Line A - Central department
Line D - Medicines and Healthcare Regulatory Authority.
Payroll cost of the Medicines and Healthcare Regulatory Authority are no longer budgeted for as expenditure and income within the Department's Estimate.

Introduction (*continued*)

Transfers within RfR2

- 1 £1.5 million
Increase Line E - Other services
Decrease Line F - Welfare food / EEA medical costs
Reallocation of budgets to meet existing priorities.
- 2 £3.765 million
Increase Line T - Grant in aid to NDPBs
Decrease Line G - Other personal social services
Increased funding for the Commission for Social Care and Inspection.
3. £8.269 million
Increase Line E - Other services
Decrease Line T - Grant in aid to NDPBs
To reflect a change in the funding arrangements for work undertaken by the Medicines and Healthcare Products Regulatory Authority.

Decreases:

Transfers to other Government departments

- 1 £5.559 million
Line A - Central department (£1.059 million)
Line S- Young persons substance misuse planning grant (£4.5 million)
Transfer to the Department for Education and Skills for administration of the provision of vulnerable adults scheme. Transfer to the Home Office who now have responsibility for distributing the young persons substance misuse planning grant.

Transfer to another RfR

- 1 £70.343 million
Line E - Other services (£49.172 million)
Line F - Welfare foods/EEA medical costs (£12.451 million)
Line G - Personal Social services (£4.241 million)
Line K - Preserved rights grant (£0.100 million)
Line T - Grant in aid to NDPBs (£4.379 million)
Mainly transfers to cover addition resources on prison healthcare, regional public health group, clinical excellence awards, mental health review tribunals and non departmental public bodies.
2. On 1 October a new body was established to combine the functions of the National Blood Authority and the UK Transplant to become NHS Blood and Transplant.
3. As a result of these changes there is an increase in the net cash requirement of £444,477,000.
4. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Securing health care for those who need it	1,000
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	1,000
RfR 3: Office of the Independent Regulator for NHS foundation trusts	-
Total additional net resource requirement	2,000
Additional net cash requirement	444,477,000

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

RfR 1: Securing health care for those who need it

Strategic health authorities and primary care trusts under their unified budgets, family health services (including general medical, general ophthalmic, general dental and pharmaceutical services); public dividend capital (PDC) to NHS trusts and NHS foundation trusts, loans to NHS foundation trusts, education, training, research and development; centrally managed expenditure to and on behalf of the NHS; (including non-departmental public bodies and special health authorities some of which are administered on a United Kingdom basis); forming, investing in or providing loans or guarantees to companies that will provide facilities or services to the NHS; to provide hospital financing for credit guarantee finance pilot projects; payments to local authorities for use in local area agreements, services provided to or on behalf of the Scottish Executive, National Assembly for Wales and Northern Ireland and associated non-cash items.

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

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

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

Grant in aid funding for the Office of the Independent Regulator for NHS foundation trusts.

The Department of Health will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Securing health care for those who need it					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Strategic health authorities and primary care trusts unified budgets and central allocations	69,956,127	13,162	10,712	2,450	69,958,577
Spending in Annually Managed Expenditure (AME)					
RfR 1 - G Hospital financing for credit guarantee finance pilot projects	11,193	-4,093	5,300	-9,393	1,800
Non-budget					
RfR 1 - H Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, foundation trusts loans and repayments and repayment of interest	1,475,323	7,364	420	6,944	1,482,267
Total RfR 1		16,433	16,432	1	
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A Central department	265,039	-37,034	-35,960	-1,074	263,965
RfR 2 - B NHS Purchasing and Supplies Authority	20,500	442	442	-	20,500
RfR 2 - D Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.	-15	-	-15	15	-
RfR 2 - E Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services	385,168	-28,599	1,328	-29,927	355,241
RfR 2 - F Welfare food and European Economic Area medical costs	594,497	40,050	-	40,050	634,547
RfR 2 - G Other personal social services	118,003	-3,506	-	-3,506	114,497
RfR 2 - K Preserved rights grant	348,230	-100	-	-100	348,130
RfR 2 - S Young persons substance misuse planning grant	4,500	-4,500	-	-4,500	-
Non-budget					
RfR 2 - T Grant in aid funding of non-departmental public bodies and special health authorities	242,114	-183	774	-957	241,157
Total RfR 2		-33,430	-33,431	1	

Part II: Changes proposed *(continued)*

						£'000
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 3: Office of the Independent Regulator for NHS foundation trusts						
Non-budget						
RfR 3 - A	Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts	10,000	-	-	-	10,000
Total RfR 3			-	-	-	
Total Changes to RfRs			-16,997	-16,999	2	

		£000		
	Present Provision	Change in Provision	New Provision	
Capital and Cash				
Total Capital Expenditure	4,351,167	219,043	4,570,210	
Non-Operating A in A	1,598,011	-	1,598,011	
Net cash requirement	59,575,150	444,477	60,019,627	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Securing health care for those who need it								
-	75,337,138	1,120,928	76,458,066	18,686,448	57,771,618	4,550,405	1,598,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Strategic health authorities and primary care trusts unified budgets and central allocations								
-	70,571,528	547,761	71,119,289	1,160,712	69,958,577	1,054,741	98,000	
B FHS - pharmaceutical services								
-	1,099,300	-	1,099,300	-	1,099,300	-	-	
C FHS - prescription charges income								
-	2,500	-	2,500	454,345	-451,845	-	-	
D FHS - general dental services								
-	886,000	-	886,000	228,000	658,000	-	-	
E FHS - general ophthalmic services								
-	354,210	-	354,210	100	354,110	-	-	
<i>Support for Local Authorities</i>								
F Strategic health authorities and primary care trusts grants to local authorities								
-	-	448,788	448,788	-	448,788	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
G Hospital financing for credit guarantee finance pilot projects								
-	7,100	-	7,100	5,300	1,800	376,000	-	
Non-budget								
H Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, foundation trusts loans and repayments and repayment of interest								
-	2,416,500	124,379	2,540,879	1,058,612	1,482,267	3,119,664	1,500,000	
I NHS contributions								
-	-	-	-	15,779,379	-15,779,379	-	-	
<i>MOG transfers to DfES</i>								
-	-	-	-	-	-	-	-	
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health								
259,660	1,097,325	2,235,538	3,592,523	50,446	3,542,077	19,805	11	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Central department								
259,660	23,858	-	283,518	19,553	263,965	19,120	11	
B NHS Purchasing and Supplies Authority								
-	21,450	-	21,450	950	20,500	685	-	
C NHS Estates Agency: dividend on public dividend capital and repayment of loans								
-	-	-	-	13	-13	-	-	

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

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
D	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.							
-	-	-	-	-	-	-	-	
E	Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services							
-	316,172	41,225	357,397	2,156	355,241	-	-	
F	Welfare food and European Economic Area medical costs							
-	621,498	40,049	661,547	27,000	634,547	-	-	
G	Other personal social services							
-	114,347	150	114,497	-	114,497	-	-	
<i>Support for Local Authorities</i>								
H	AIDS support grant							
-	-	16,500	16,500	-	16,500	-	-	
I	Services for people with a mental illness							
-	-	132,950	132,950	-	132,950	-	-	
J	Carers' grant							
-	-	185,000	185,000	-	185,000	-	-	
K	Preserved rights grant							
-	-	348,130	348,130	-	348,130	-	-	
L	Residential allowance grant							
-	-	214,455	214,455	-	214,455	-	-	
M	Improving information management (capital)							
-	-	25,000	25,000	-	25,000	-	-	
N	National training strategy							
-	-	94,859	94,859	-	94,859	-	-	
O	Access and systems capacity grant							
-	-	642,000	642,000	-	642,000	-	-	
P	Human resources development strategy							
-	-	62,750	62,750	-	62,750	-	-	
Q	Children and adolescents mental health grant							
-	-	90,539	90,539	-	90,539	-	-	
R	Delayed discharge grant							
-	-	100,000	100,000	-	100,000	-	-	
S	Young persons substance misuse planning grant							
-	-	-	-	-	-	-	-	
<i>Training for social support staff</i>								
-	-	-	-	-	-	-	-	
<i>Performance fund</i>								
-	-	-	-	-	-	-	-	
<i>Care direct</i>								
-	-	-	-	-	-	-	-	

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

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<i>Deferred Payments Grant</i>								
-	-	-	-	-	-	-	-	-
<i>Children's services grant</i>								
-	-	-	-	-	-	-	-	-
Non-budget								
T Grant in aid funding of non-departmental public bodies and special health authorities								
-	-	241,931	241,931	774	241,157	-	-	-
<i>Other</i>								
-	-	-	-	-	-	-	-	-
<i>MOG transfers to DfES</i>								
-	-	-	-	-	-	-	-	-
RfR 3: Office of the Independent Regulator for NHS foundation trusts								
-	-	10,000	10,000	-	10,000	-	-	-
Non-budget								
A Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts								
-	-	10,000	10,000	-	10,000	-	-	-
Total for Estimate:								
259,660	76,434,463	3,366,466	80,060,589	18,736,894	61,323,695	4,570,210	1,598,011	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	61,323,693	2	61,323,695
Voted capital items			
Capital expenditure	4,351,167	219,043	4,570,210
<i>Less: non-operating A in A</i>	<u>1,598,011</u>	<u>-</u>	<u>1,598,011</u>
Total net voted capital	2,753,156	219,043	2,972,199
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of capital charges	-1,854,724	4,174	-1,850,550
Depreciation	-610,376	-134	-610,510
New provisions and adjustments to previous provisions	-2,709,147	221,392	-2,487,755
Profit/loss on sale of assets	10	-	10
Prior period adjustments	-	-	-
Other non-cash items	-722	-	-722
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	139,783	-	139,783
Increase(-)/decrease (+) in creditors	-276,198	-	-276,198
Use of provisions	<u>809,675</u>	<u>-</u>	<u>809,675</u>
Total accruals to cash adjustments	-4,501,699	225,432	-4,276,267
Excess cash to be CFERd	-	-	-
Net cash requirement	59,575,150	444,477	60,019,627

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	-
RfR 2	247,629
RfR 3	-
Total Net Administration Costs	247,629
Net Programme Costs	
RfR 1	57,771,618
RfR 2	3,294,447
RfR 3	10,000
Total Net Programme costs	61,076,065
Total Net Operating Cost	61,323,694
<i>of which:</i>	
Net Resource Outturn	61,323,695
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	74,774,582

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	61,323,695
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	61,323,694
<i>Adjustments to remove:</i>	
capital grants to local authorities	-125,000
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	14,421,491
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	1,097
unallocated resource provision	116,392
Other adjustments	-963,092
Resource Budget Outturn (Budget)	74,774,582
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	74,772,782
Annually Managed Expenditure (AME)	1,800

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	2,972,199
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	10
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	40,778
capital grants to local authorities	125,000
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	53,420
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	1,503,000
Capital Budget Outturn (Budget)	4,694,407
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,818,407
Annually Managed Expenditure (AME)	876,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

Sir Nigel Crisp as the Principal Accounting Officer (PAO) of the Department of Health has personal responsibility for the proper presentation of the Department's Resource Accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Department of Health.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
RfR 1: Securing health care for those who need it		
Charges for accommodation, goods and services to private and NHS patients, local authorities, Ministry of Defence, and others; income from income generation schemes; income from local authorities under joint finance arrangements; income from medical and dental education levy; income from the licensing of software; income from the Mental Health Act Commission, the Centre for Pharmacy Postgraduate Education, the Prescription Pricing Authority, the Dental Practice Board; settlement of legal claims; dividends and interest from investments; income from the Scottish Executive, the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and Purchasing and Supply Agency arrangements; income from maintenance of the National Joint Registry; income of the Commission for Patient and Public Involvement in Health, income secured by counter fraud services from all sources including compensatory elements and refunds; compensation income for the National Programme for IT	1,160,712	-
NHS prescription charges	454,345	-
Dental charges	228,000	-
Recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services	100	-
Contribution by employers and employees towards the cost of the NHS	15,779,379	-
NDPB income and repayments of PDC and payments of dividends on PDC by NHS trusts and NHS foundation trusts, and repayments of loan principal and payments of interest by NHS foundation trusts.	1,058,612	1,500,000
Capital income from sale of land, buildings, surplus vehicles and equipment.	-	98,000
Interest received from credit guarantee pilot projects	5,300	-
Total RfR 1	18,686,448 *	1,598,000 **

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

**Amounts that may be applied as non-operating appropriations in aid arising from capital income from the sale of land, buildings, surplus vehicles and equipment, repayments of PDC by NHS trusts and NHS foundation trusts, and repayments of principal by NHS trusts and NHS foundation trusts.

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

Administration receipts for: seconded officers; welfare to work/ New Deal programmes; staff telephone calls; costs of legal proceedings; staff lease cars scheme; European Fast Stream programme; recoveries from other government departments, non-departmental public bodies and the NHS, local authorities, NHS Estates and Medicines and Healthcare Products Regulatory Agency for goods and services, staff accommodation, reimbursement of meeting expenses and selling services into wider markets, library income and open government. Income from the European Union for the reimbursement of staff travel expenses, goods and services.	19,553	-
NHS Purchasing and Supplies Authority: receipts for seconded officers, staff telephone calls, reimbursement of meeting expenses, staff lease cars scheme and health protection work.	950	-

Notes to the Estimate (*continued*)

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

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
Licence fees, royalties and sales of publications, evaluation reports, contributions by members of the public, insurance claims, sale of cars, Sector Challenge receipts from Department of Trade and Industry, mobile phone research contributions.	2,156	-
European Economic Area countries for NHS treatment of their residents.	25,000	-
Income from sale of subsidised dried milk.	2,000	-
Dividends on public dividend capital and repayment of loans by NHS Estates Agency and the Medicines and Healthcare Products Regulatory Agency	13	-
Sales of land, buildings and equipment.	-	11
Non departmental public body income	774	-
Total RfR 2	50,446 *	11 **

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

Commission for Social Care Inspection; income from other european economic area countries for NHS treatment of their residents; sale of subsidised dried milk; income made under sector challenge arrangements with the Department of Trade and Industry, income from the European Community and contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; contributions to local authority grant schemes; refunds from communication campaigns contracts and contributions towards the cost of communication campaigns; income from publications; income from penalty charges; interest repayment on trading fund loans; income from the Scottish Executive, the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from the European Union for the reimbursement of staff travel expenses and for goods and services.

**Amounts that may be applied as non-operating appropriations in aid arising from capital income from the sale of land, buildings, surplus vehicles and equipment, principal repayment of trading fund loans, repayments of Public Dividend Capital advances to the NHS Estates Agency.

Total A in A	18,736,894	1,598,011
<i>of which: Administration budgets</i>	<i>12,031</i>	

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

Resource	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-174,214	75,237,349	-464,567	74,772,782
<i>of which : Administration Budget</i>	<i>-1,059</i>	<i>247,629</i>	<i>-</i>	<i>247,629</i>
Capital	-	1,296,545	2,521,862	3,818,407
Depreciation*	-134	-610,510	-51,669	-662,179
Total	-174,348	75,923,384	2,005,626	77,929,010

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

Cash which may be retained to offset expenditure

£'000

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid. 20,334,905

Expenditure resting on the sole authority of the Appropriation Act

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

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

Food Standards Agency

Introduction

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

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

Increases:

Interdepartmental Transfer

1. Programme costs
Amount: £300,000
Section A
Reason: The Home Office's Chemical Biological Radiological Nuclear (CBRN) Science and Technology Programme is designed to improve CBRN capability across government. The FSA highlighted several areas in its remit where there are clear CBRN requirements. The Home Office has agreed to fund these areas with the transfer of £300,000 to the FSA to research the survivability of Chemical Biological (CB) agents in bottled water and packaged food
2. As a result of these changes there is an increase in the net cash requirement of £300,000 from £141,316,000 to £141,616,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Protecting and promoting public health in relation to food	300,000
Total additional net resource requirement	300,000
Additional net cash requirement	300,000

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

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

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

The Food Standards Agency will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Protecting and promoting public health in relation to food

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A Food Standards Agency HQ Operations	111,777	300	-	300	112,077
Total RfR 1		300	-	300	

£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	647	-	647
Non-Operating A in A	-	-	-
Net cash requirement	141,316	300	141,616

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Protecting and promoting public health in relation to food								
55,284	147,027	-	202,311	58,534	143,777	647	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Food Standards Agency HQ Operations								
55,284	60,027	-	115,311	3,234	112,077	322	-	
B Meat Hygiene Service								
-	87,000	-	87,000	55,300	31,700	325	-	
Total for Estimate:								
55,284	147,027	-	202,311	58,534	143,777	647	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	143,477	300	143,777
Voted capital items			
Capital expenditure	647	-	647
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	647	-	647
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-762	-	-762
Depreciation	-2,004	-	-2,004
New provisions and adjustments to previous provisions	-42	-	-42
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,808	-	-2,808
Excess cash to be CFERd	-	-	-
Net cash requirement	141,316	300	141,616

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	54,784	
Total Net Administration Costs		54,784
Net Programme Costs		
RfR 1	88,993	
Total Net Programme costs		88,993
Total Net Operating Cost		143,777
<i>of which:</i>		
Net Resource Outturn		143,777
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		143,777

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	143,777
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	143,777
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	143,777
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	143,777
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	647
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	647
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	647
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Dr Jon Bell, Chief Executive of the Food Standards Agency

Dr Jon Bell, as the Principal Accounting Officer (PAO) of the Food Standards Agency has personal responsibility for the proper presentation of the Food Standards Agency's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Food Standards Agency.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Protecting and promoting public health in relation to food		
Income from industry & other government bodies	58,534	-
Total RfR 1	58,534 *	-
<i>of which: Administration budgets</i>	-	-

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

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	300	143,777	-	143,777
<i>of which : Administration Budget</i>	-	57,784	-	57,784
Capital	-	647	-	647
Depreciation*	-	-2,004	-	-2,004
Total	300	142,420	-	142,420

*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

58,534

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

Department for Transport

Introduction

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

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

Increases

Transfers from non-voted spending

1. Take-up of Departmental Unallocated Provision
Amounts: £12,118,000 resource and £700,000 capital
Sections: C, D, L, G, X and AD

To increase near cash resource provision for Transport security and royal travel (Section D) by £1,000,000 in respect of security screening, Railways (Section L) by £4,118,000 in respect of Crossrail preparation costs, EU presidency costs and the study of the long term impact of transport decisions, and Central Administration (Section X) by £4,000,000 for Transport Direct.

To increase non cash resource provision for Central Administration (Section X) by £3,000,000 in respect of Transport Direct.

To increase capital provision for Research (Section G) by £700,000 for Road User Charging projects.

2. Amount: £54,286,000 capital grants
Section: AE

To increase capital grant provision by £54,286,000 for Other transport grants (capital) (Section AE) for local transport major schemes.

3. Amount: £1,589,718,000 resource
Section: L, N, X and AD

To increase resource provision for Railways (Section L) by £1,425,600,000, Central Administration (Section X) by £17,757,000 and Other transport grants (resource) (Section AD) by £129,093,000 in respect of functions transferred from the Strategic Rail Authority.

To increase grant provision for Water Freight Grants (Section N) by £17,268,000 in respect of functions transferred from the Strategic Rail Authority.

4. Amount: £1,446,000 non cash resource
Section: X

To increase non-cash resource provision for Central Administration (Section X) by £1,446,000 in respect of liabilities transferred from the disbanded Strategic Rail Authority.

Transfers from other government departments

1. Amount: £250,000 resource
Section: S

To increase resource provision for Powershift and CleanUp (Section S) by £250,000 by transfer from the Department for Trade and Industry for the Low Carbon Vehicle Partnership.

Introduction (*continued*)

Other increases

1. Increase in Annually Managed Expenditure

Amount: £3,397,000 resource

Section: AG

To increase resource provision for the Highways Agency (Section AG) by £3,397,000 in respect of imputed interest on finance leases.

2. Increase in non budget expenditure

Amount: £10,900,000 resource

Section: AJ

To increase non budget provision by £10,900,000 for Grant-in-Aid funding of non-departmental public bodies (Section AJ) in respect of the British Transport Police Authority and the Rail Passengers' Council.

Neutral Changes:

Transfers within the RfR

1. Amount: £18,416,000 resource

Sections: B, C, E, L, N, X, AD and AL

To increase resource provision for the Maritime and Coastguard Agency (Section B) by £2,346,000 by transfer from Section A, Aviation services (Section C) by £503,000 by transfer from Section L, Highways Agency (Section E) by £3,000,000 by transfer from Section X, Water Freight Grants (Section N) by £2,173,000 by transfer from Section L and £301,000 from Section AD, Central Administration (Section X) by £7,643,000 from Section L, Other transport grants (resource) (Section AD) by transfer of £950,000 from Section AB and Haulage efficiency and modernisation project (new Section AL) by £1,500,000 by transfer from Section N

2. Amount: (£18,416,000) resource

Sections: A, L, N, X, AB and AD

To decrease resource provision for Ports and shipping services (Section A) by £2,346,000 by transfer to Section B, Railways (Section L) by £503,000 to Section C, £2,173,000 to Section N and £7,643,000 to Section X, Water Freight Grants (Section N) by £1,500,000 to a new Section AL, Central Administration (Section X) by £3,000,000 to Section E, GLA transport grant (resource) (Section AB) by £950,000 to Section AD and Other transport grants (resource) (Section AD) by £301,000 to Section N.

3. Amount: £1,885,000 capital

Section: G

To increase capital provision for Research (Section G) by £1,885,000 by transfer from Section AE (capital grants).

4. Amount: (£1,885,000) capital grants

Section: AE

To decrease capital grant provision for Other transport grants (capital) (Section AE) by £1,885,000 by transfer to Section G.

Introduction (*continued*)

5. Amount: £19,000,000 capital
Sections: U and V

To increase capital provision for the Driving Standards Agency (Section U) by £5,800,000 and the Vehicle and Operator Service Agency trading fund (Section V) by £13,200,000 by transfers from Section Z

6. Amount: (£19,000,000) capital
Sections: Z

To decrease capital provision for the Driver, Vehicle and Operator Group (loan pool) (Section Z) by £19,000,000 to Sections U and V.

Increased spending offset by income

1. Amount: £13,690,000 resource
Sections: A, C, F, L, N, T, X and AD

To increase resource provision for Ports and shipping services (Section A) fully offset by increases in appropriations-in-aid for Aviation services (Section C) by £327,000.

To increase resource provision fully offset by increases in appropriations-in-aid for Aviation services (Section C) by £4,377,000.

To increase resource provision for Publicity and advice (Section F) fully offset by increases in appropriations-in-aid for Dartford River Crossing (Section T) by £2,700,000.

To increase resource provision for Water Freight Grants (Section N) fully offset by increases in appropriations-in-aid for Railways (Section L) by £958,000.

To increase resource provision fully offset by increases in appropriations-in-aid for Central Administration (Section X) by £328,000.

To increase resource provision for Other transport grants (resource) (Section AD) fully offset by increases in appropriations-in-aid for Railways (Section L) by £5,000,000.

Decreases:

Transfer to non-voted spending

- 1 Amount: £700,000 resource and £4,000,000 capital
Section: I

To decrease resource provision for Consultancies and other services for roads and local transport (Section I) by £700,000.

To decrease capital provision for Central Administration (Section X) by £4,000,000 in respect of Transport Direct.

Introduction (*continued*)

Transfers to other government departments

- 1 Amount: £4,400,000 resource
Section: X

To decrease resource provision for Central Administration (Section X) by £4,400,000 to the Office of Deputy Prime Minister's Office.

Other decreases:

- 1 Decrease in non budget expenditure
Amount: £1,165,069,000 resource
Section: AI

To decrease non budget provision for the Strategic Rail Authority (Section AI) by £1,165,069,000.

Changes to CFER's

- 1 To increase non-budget provision for the Driver and Vehicle Licensing Agency by £53,699,000
2. As a result of these changes there is an increase in the net cash requirement of £554,216,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation	500,061,000
Total additional net resource requirement	500,061,000
Additional net cash requirement	554,216,000

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

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

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

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Ports and shipping services	12,543	-2,019	-	-2,019	10,524
RfR 1 - B Maritime and Coastguard Agency	120,466	2,346	-	2,346	122,812
RfR 1 - C Aviation services	20,707	4,880	4,704	176	20,883
RfR 1 - D Transport security and royal travel	16,832	1,000	-	1,000	17,832
RfR 1 - E Highways Agency	1,745,358	3,000	-	3,000	1,748,358
RfR 1 - F Publicity and advice	18,778	2,700	-	2,700	21,478
RfR 1 - I Consulatancies and other services for roads and local transport	6,790	-700	-	-700	6,090
RfR 1 - L Railways	622,012	1,419,399	5,958	1,413,441	2,035,453
RfR 1 - N Water freight grants	12,608	19,200	-	19,200	31,808
RfR 1 - S Power Shift and CleanUp	22,000	250	-	250	22,250
RfR 1 - T Dartford River Crossing	-67,000	-	2,700	-2,700	-69,700
RfR 1 - X Central administration	150,210	26,774	328	26,446	176,656
<i>Support for Local Authorities</i>					
RfR 1 - AB GLA Transport grant (resource)	1,429,935	-950	-	-950	1,428,985
RfR 1 - AD Other transport grants (resource)	218,495	134,742	-	134,742	353,237
RfR 1 - AE Other transport grants (capital)	212,110	52,401	-	52,401	264,511
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 1 - AG Highways Agency	2,617,586	3,397	-	3,397	2,620,983
Non-budget					
RfR 1 - AI Strategic Rail Authority	2,904,869	-1,165,069	-	-1,165,069	1,739,800
RfR 1 - AJ Grant In Aid funding of non-departmental public bodies	5,400	10,900	-	10,900	16,300

Part II: Changes proposed (*continued*)

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - AL Haulage efficiency and modernisation projects - 1,500 - 1,500 1,500

Total RfR 1	513,751	13,690	500,061
Total Changes to RfRs	513,751	13,690	500,061

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	858,188	-1,415	856,773
Non-Operating A in A	10,126	-	10,126
Net cash requirement	10,259,869	554,216	10,814,085

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation								
268,621	5,710,028	6,311,194	12,289,843	359,799	11,930,044	856,773	10,126	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Ports and shipping services								
-	11,984	-	11,984	1,460	10,524	4,493	-	
B Maritime and Coastguard Agency								
-	130,332	80	130,412	7,600	122,812	9,400	-	
C Aviation services								
-	21,917	44,311	66,228	45,345	20,883	1,707	-	
D Transport security and royal travel								
-	11,132	6,700	17,832	-	17,832	680	-	
E Highways Agency								
98,683	1,685,997	-	1,784,680	36,322	1,748,358	763,563	7,250	
F Publicity and advice								
-	15,370	6,108	21,478	-	21,478	-	-	
G Research								
-	32,397	-	32,397	-	32,397	6,793	-	
H Statistics, censuses and surveys								
-	15,130	-	15,130	-	15,130	1,650	-	
I Consulatancies and other services for roads and local transport								
-	5,730	450	6,180	90	6,090	-	-	
J Mobility and Inclusion Unit								
-	786	3,587	4,373	20	4,353	150	-	
K Strategic Transport Studies								
-	1,600	-	1,600	100	1,500	-	-	
L Railways								
-	696,135	1,345,276	2,041,411	5,958	2,035,453	-	-	
M Commission for Integrated Transport								
-	1,506	-	1,506	-	1,506	-	-	
N Water freight grants								
-	-	31,808	31,808	-	31,808	-	-	
O Bus Services Operators Grant								
-	380,300	-	380,300	-	380,300	-	-	
P Vehicle Excise Duty enforcement								
-	-	-	-	58,940	-58,940	-	-	
Q Vehicle Certification Agency enforcement								
-	1,200	-	1,200	-	1,200	-	-	
R Vehicle Certification Agency								
-	8,595	-	8,595	8,227	368	300	-	
S Power Shift and CleanUp								
-	22,250	-	22,250	-	22,250	-	-	
T Dartford River Crossing								
-	-	-	-	69,700	-69,700	-	-	
U Driving Standards Agency trading fund								
-	392	-	392	629	-237	5,800	823	
V Vehicle and Operator Services Agency trading fund								
-	1,278	-	1,278	2,572	-1,294	13,200	2,053	
W Vehicle and Operator Services Agency enforcement								
-	13,959	-	13,959	-	13,959	-	-	
X Central administration								
169,938	12,898	-	182,836	6,180	176,656	31,803	-	
Y Trans European network payments for transport projects (net)								
-	-	1	1	-	1	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Z Driver, Vehicle and Operator Group Central (including loan pool)								
-	-	-	-	-	-	17,234	-	
AA Other River Crossings								
-	15,657	-	15,657	15,657	-	-	-	
Support for Local Authorities								
AB GLA Transport grant (resource)								
-	-	1,428,985	1,428,985	-	1,428,985	-	-	
AC GLA Transport Grant (capital)								
-	-	731,455	731,455	-	731,455	-	-	
AD Other transport grants (resource)								
-	-	353,237	353,237	-	353,237	-	-	
AE Other transport grants (capital)								
-	-	264,511	264,511	-	264,511	-	-	
AF Speed and red light camera enforcement								
-	1,000	100,000	101,000	100,999	1	-	-	
Spending in Annually Managed Expenditure (AME)								
Central government spending								
AG Highways Agency								
-	2,620,983	-	2,620,983	-	2,620,983	-	-	
AH Railways								
-	-	20,122	20,122	-	20,122	-	-	
Non-budget								
AI Strategic Rail Authority								
-	-	1,739,800	1,739,800	-	1,739,800	-	-	
AJ Grant In Aid funding of non-departmental public bodies								
-	-	16,300	16,300	-	16,300	-	-	
AK Driver and Vehicle Licensing Agency trading fund								
-	-	218,463	218,463	-	218,463	-	-	
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
AL Haulage efficiency and modernisation projects								
-	1,500	-	1,500	-	1,500	-	-	
Total for Estimate:								
268,621	5,710,028	6,311,194	12,289,843	359,799	11,930,044	856,773	10,126	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	11,429,983	500,061	11,930,044
Voted capital items			
Capital expenditure	858,188	-1,415	856,773
<i>Less: non-operating A in A</i>	<u>10,126</u>	<u>-</u>	<u>10,126</u>
Total net voted capital	848,062	-1,415	846,647
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,615,231	1,958	-2,613,273
Depreciation	-365,346	-3,034	-368,380
New provisions and adjustments to previous provisions	-141,857	-3,370	-145,227
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-530	-	-530
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	54,770	54,770
Use of provisions	<u>1,104,788</u>	<u>5,246</u>	<u>1,110,034</u>
Total accruals to cash adjustments	-2,018,176	55,570	-1,962,606
Excess cash to be CFERd	-	-	-
Net cash requirement	10,259,869	554,216	10,814,085

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	62,699	<i>62,699</i>	112,640	<i>112,640</i>
Non-operating income not classified as A in A	-	-	3,758	<i>3,758</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	62,699	<i>62,699</i>	116,398	<i>116,398</i>

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	260,535	
Total Net Administration Costs		260,535
Net Programme Costs		
RfR 1	11,556,869	
Total Net Programme costs		11,556,869
Total Net Operating Cost		11,817,404
<i>of which:</i>		
Net Resource Outturn		11,930,044
CFERs		-112,640
Non-voted expenditure		-
Resource Budget Outturn		10,609,117

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	11,930,044
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-112,640
Other adjustments	-
Net Operating Costs (Accounts)	11,817,404
<i>Adjustments to remove:</i>	
capital grants to local authorities	-1,000,479
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	30,058
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	112,301
resource consumption of non departmental public bodies	-422,463
unallocated resource provision	210,616
Other adjustments	-138,320
Resource Budget Outturn (Budget)	10,609,117
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	8,806,012
Annually Managed Expenditure (AME)	1,803,105

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	846,647
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-3,758
capital spending by non departmental public bodies	-1,758
capital grants to local authorities	1,000,479
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	1,367,829
capital spending by levy funded bodies	-
unallocated capital provision	83,228
Other adjustments	2,993
Capital Budget Outturn (Budget)	3,295,660
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,295,660
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	David Rowlands, Principal Accounting Officer and Permanent Head of Department
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David Rowlands as the Principal Accounting Officer (PAO) of the Department for Transport has personal responsibility for the proper presentation of the Department for Transport's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to any responsibilities for an assigned RfR, remains in general overall charge of the Department for Transport.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Promoting modern, integrated and safe transport and providing customer-focused regulation		
Ports and Shipping Services - section A	1,460	-
Maritime and Coastguard Agency - section B	7,600	-
Aviation services - section C	45,345	-
Highways Agency - section E	36,322	7,250
Consultancies and other services for roads and local transport - section I	90	-
Mobility and Inclusion unit - section J	20	-
Strategic Transport Studies - Section K	100	-
Vehicle and Excise Duty Enforcement - section P	58,940	-
Vehicle Certification Agency - section R	8,227	-
Dartford River Crossing - section T	69,700	-
Driving Standards Agency trading fund - section U	629	823
Vehicle and Operator Services Agency trading fund - section V	2,572	2,053
Central administration - section X	6,180	-
Other River Crossing - section AA	15,657	-
Speed and red light camera enforcement - section AF	100,999	-
Railways - Section L	5,958	-
Total RfR 1	359,799 *	10,126 **

*Amount that may be applied as appropriations in aid in addition to the net total, arising from research, statistical and administrative services; fee paying enquiries; dissemination and sales of information, royalties, the loan and hire of equipment, seminars, conferences and publication (in print and non-print media); sponsorship, including contributions from co-sponsors, other government

departments, agencies and non-public bodies towards the cost of research, surveys and studies; receipts from the European Union including receipts relating to PHARE programmes, donations, legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; receipts for the use of accommodation; rental income and receipts from property and land; the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; speed and red light camera fixed penalty receipts; fines from wheelclamping and continuous registration; charges for vehicle and component testing; recoveries from local authorities in respect of public inquiries into highway orders; the sale of land on completion or abandonment of highway schemes; receipts from Dartford River Crossing Ltd; receipts from claims for damage to motorways and trunk roads; contributions from developers to transport schemes; recoveries of costs of aviation services; the sale of civil aviation items; repayments of loans or other payments made to National Air Traffic Services; receipts relating to the World Health Organisation study into airline travel and Deep Vein Thrombosis; repayments of loans or other payments made under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); receipts from the Strategic Rail Authority and the British Transport Police authority; the Channel Tunnel Rail Link, Eurostar and the Scottish Executive; fees and receipts from the surveys of ships, Port State Control inspections, examinations and the certification of seafarers and receipts from the Learning and Skills Council for SmarT seafaring training; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes and receipts from outside organisations in respect of the provision by MAIB staff of investigation expertise and training; Eurocontrol; subsidy provided under the New Deal – Welfare to Work; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; receipts in respect of Vehicle Excise duty enforcement activities; Vehicle and Operator Services Agency and the Driving Standards Agency; plus Other River Crossings; payments from the Office of the Deputy Prime Minister in respect of certain central services; payments from the Department for Work and Pensions in respect of transitional administration costs; and receipts relating to the administration and operation of the department.

Department for Transport**Winter Supplementary Estimate, 2005-06**

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

Total A in A	359,799	10,126
<i>of which: Administration budgets</i>	8,958	-

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

		£'000	
		2005-06 provision	
		Income	Receipts
Humber Bridge Board	●	882	882
Tyne Tunnel	●	1,476	1,476
Second Mersey tunnel	●	1,400	1,400
Bus Service Operators grants	●	300	300
Maritime and Coastguard Agency	●	686	686
Driver and Vehicle Licensing Agency	●	110,015	110,015
Central administration	●	39	39
Channel tunnel receipts	●	1,600	1,600
Total		116,398	116,398

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-13,623	6,343,955	2,462,057	8,806,012
<i>of which : Administration Budget</i>	<i>22,446</i>	<i>260,535</i>	<i>4,023</i>	<i>264,558</i>
Capital	-4,300	1,847,126	1,448,534	3,295,660
Depreciation*	-3,534	-368,380	-9,377	-377,757
Total	-21,457	7,822,701	3,901,214	11,723,915

*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
369,925

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

Office of Rail Regulation

Introduction

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

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

Increases:

Transfer from other government department

£2 million resource expenditure and £4.3 million capital expenditure to be funded through a transfer from DfT to cover the cost of the merger of ORR and the Rail Safety element of the Health and Safety Executive, arising as a result of the Railway Act 2005.

2. As a result of these changes there is an increase in the net cash requirement of £ 6,096,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation	2,000,000
Total additional net resource requirement	2,000,000
Additional net cash requirement	6,096,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office for Rail Regulation on:

RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation
Administration, capital expenditure for activities in support of economic, safety and competition regulation and associated non-cash items.

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

Changes proposed

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

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	500	4,300	4,800
Non-Operating A in A	-	-	-
Net cash requirement	1	6,096	6,097

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation								
18,501	-	-	18,501	16,500	2,001	4,800	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
16,501	-	-	16,501	16,500	1	500	-	
B Rail Safety Transition								
2,000	-	-	2,000	-	2,000	4,300	-	
Total for Estimate:								
18,501	-	-	18,501	16,500	2,001	4,800	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	1	2,000	2,001
Voted capital items			
Capital expenditure	500	4,300	4,800
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	500	4,300	4,800
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-50	-	-50
Depreciation	-600	-	-600
New provisions and adjustments to previous provisions	-25	-	-25
Profit/loss on sale of assets	-	-	-
Proior period adjustments	-	-	-
Other non-cash items	-35	-	-35
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>6</u>	<u>-</u>	<u>6</u>
Total accruals to cash adjustments	-704	-	-704
Excess cash to be CFERd	204	-204	-
Net cash requirement	1	6,096	6,097

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	<u>2,001</u>	
Total Net Administration Costs		2,001
Net Programme Costs		
RfR 1	<u>-</u>	
Total net programme costs		-
Total Net Operating Cost		2,001
<i>of which:</i>		
Net Resource Outturn		2,001
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		2,001

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	2,001
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	2,001
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	2,001
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	2,001
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	4,800
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	4,800
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,800
Annually Managed Expenditure (AME)	-

Notes to the Estimate

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Bill Emery, Office of Rail Regulation

Bill Emery, the Accounting Officer (AO) of the Office for Rail Regulation, has personal responsibility for the proper presentation of the Office for National Statistics' resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO, as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Office for Rail Regulation.

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

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non- operating A in A
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulation		
Licence fees	16,500	-
Total RfR 1	16,500 *	- **
<i>of which: Administration budgets</i>	-	-
** Amount that may be applied as appropriations in aid in addition to the net total, arising from: recoveries in respect of the administration of the Office of Rail Regulation including charges for courses, officers loaned to other organisations; income from publications and library service; travel costs recovered from the European community; income from recovery actions in connection with the successful outcome of judicial review; and receipts of licence fees.		
Total A in A	16,500	-

Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Office of Rail Regulation's Department Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	2,000	2,001	-	2,001
<i>of which : Administration Budget</i>	<i>2,000</i>	<i>2,001</i>	<i>-</i>	<i>2,001</i>
Capital DEL	4,300	4,800	-	4,800
Less depreciation *	-	-600	-	-600
Total DEL	6,300	6,201	-	6,201

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	16,500

Office of the Deputy Prime Minister

Introduction

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

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

Increases:

Take up of End Year Flexibility

Programme: Resource, Capital and Administration

Amount: £44,516,000

Sections: A, C, D, E, F, I, P, T, and V.

To increase resource grants provision for: Housing Supply and Demand (Section A) (£1,230,000); Tackling Disadvantage (Section C) (£1,000,000); Development of English Regions (Section E) (£4,390,000); Central Administration Other current (Section F) (£851,000); Tackling Disadvantage (capital grants to local authorities) (Section P) (£7,989,000); Development of English Regions (capital grants to local authorities) (Section T) (£500,000) and European Structural Funds (net) (capital grants to local authorities) (Section V) (£4,000,000).

Administration costs increases: Central Administration (Section F) (£24,000,000)

Invest to Save budget (ISB) increase for: Better Services (Section D) (£264,000) and European Structural Funds - ODPM (Section I) (£292,000).

Transfers from Other Government departments

Amount: £26,837,000

Sections: C, F and G

To increase resource grants provision for: Tackling Disadvantage (Section C) (£850,000) by a transfer from the Home Office; Central Administration (Section F) (£4,400,000) by a transfer from Department for Transport and Government Office Administration (Section G) by transfers from the Home Office (£16,225,000) and Department for Environment, Food and Rural Affairs (DEFRA) (£5,362,000).

Increase in Provision

Amount: £13,844,000

Sections: B and AA

To increase resource grants provision for Decent Places to Live (Section B) - for Ronnie Wilson First Step Trust, Social co-ownership partnership and SMaRT from ISB (£850,000); London Rebuilding Society Social co-ownership from ISB (£1,031,000) and grant in aid for Housing Demand and Supply (Section AA) (£11,963,000).

Increase in receipt for ERDF

Amount: £4,000,000

Section: V

To increase income to net off changes in resource line for European Structural Fund net (capital grants to local authorities) (Section V) (£4,000,000).

Transfer from non-voted spending

Amount: £42,140,000

Sections: B, C, D, I, P, M and T

To increase the resource grants for: Tackling Disadvantage (Section C) (£2,000,000); Housing Supply and Demand (capital grants to local authorities) (Section M) (£500,000) and Tackling Disadvantage (capital grants to local authorities) (Section P) (£38,010,000).

Introduction

To increase capital grants for: Decent Places to Live (Section B) (£300,000); Better Services (Section D) (£50,000); European Structural funds - ODPM (Section I) (£280,000) and Development of English Regions (capital grants to local authorities) (Section T) (£1,000,000).

Transfer from RfR2

Amount: £200,000

Section: O

To increase resource grants for Tackling Disadvantage (RfR1: Section O) (£200,000) by a transfer from Other Grants and Payments (resource grants) RfR2: Section H).

Decreases

Transfers to other Government departments

Amount: £31,394,000

Sections: G, M and T

To decrease resource grants for: Government Office Administration (Section G) by a transfer to the Department for Trade and Industry (DTI) (£394,000) of the net reduction in the DTI core funding and Housing Supply and Demand (capital grants to local authorities) (Section M) (£30,000,000) by a transfer to the Department of Culture, Media and Sport to part fund preparation for the Olympics.

To decrease capital grants for: Development of English Regions (capital grants to local authorities) (Section T) (£1,000,000) by a transfer to Department for Education and Skills (DFES) to provide GAP funding for Combined Universities.

Transfers to non-voted provision

Amount: £80,238,000

Sections: A and M

To decrease grants provision for: Housing Supply and Demand (Section A) (£35,479,000) and Housing Supply and Demand (capital grants to local authorities) (Section M) (£44,759,000).

Reduction in Provision

Amount: £11,864,000

Section: AA

To decrease grant in aid provision for Housing Demand and Supply (Section AA) (£11,864,000).

Transfers to RfR2

Amount: £1,410,000

Sections: A and D

To decrease resource provision for: Housing Demand and Supply (RfR1: Section A) by a transfer to Local Government research and publicity, mapping costs and electoral law (RfR2: Section C) (£10,000) and Better Services (RfR1: Section D) by a transfer to Best Value Inspection subsidies to Public Corporations and best value intervention costs (RfR2: Section B) (£1,400,000).

Neutral Changes:

Transfers within the RfR

Sections: A, B, C, D, E, F, G, M, N, O, P, Q and S

Transfer from: Housing Supply and Demand (Section A) to Decent Places to Live (Section B) (£2,975,000); Housing Supply and Demand (Section A) to Housing Supply and Demand (capital grant to local authorities) (Section M) (£289,805,000); Housing Supply and Demand (Section A) to Tackling Disadvantage (capital grants to local authorities) (Section P) (£2,000,000); Housing Supply and Demand (Section A) to Tackling Disadvantage (Section C) (£2,500,000); Decent Places to Live (Section B) to Housing Supply and Demand (Section A) (£3,602,000); Tackling Disadvantage (Section C) to Housing Supply and Demand (Section A) (£368,000); Better Services (Section D) to Housing Supply and Demand (Section A) (£800,000); Better Services (Section D) to Better Services (Section Q) (£8,756,000); Decent Places to Live (Section B) to Decent Places to Live (capital grants to local authorities) (Section N) (£37,500,000); Tackling Disadvantage (Section O) to Tackling Disadvantage (Section C) (£2,000,000); Central Administration (Section F) to Decent Places to Live (Section B) (£620,000); Central Administration (Section F) to Housing Supply and Demand (Section A) (£3,986,000) - resource grants (£1,486,000) and

Introduction

Capital grants (£2,500,000); Central Administration (Section F) to Government Office Administration (Section G) (£15,851,000) - resource grants (£15,251,000) and Capital (£600,000) and Development of English Regions (Section S) to Development of English Regions (Section E) (£136,000).

Increases in gross spending offset by Appropriation in Aid

Amount: £37,373,000

Sections: D, F, G and AA

To increase resource provision fully offset by receipts for Better Services (Section D); Central Administration (Section F); Government Office Administration (Section G) and Housing Demand and Supply (Section AA).

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

Increases:

Take up of End Year Flexibility

Amount: £73,078,000

Sections: A, B, C, H and I

To increase resource provision for: Valuation Services (Section A) (£18,659,000); Best Value Inspection subsidies to Public Corporations and best value intervention costs (Section B) (£3,617,000); Local Government research and publicity, mapping costs and electoral law (Section C) (£4,591,000); Other Grants and Payments (resource grants) (Section H) (£7,722,000) and Other Grants and Payments (capital grants) (Section I) (£38,489,000).

Increase in Provision

Amount: £52,181,000

Sections: J and K

To increase grants provision for: Non-domestic Rates Outturn adjustments (Section J) (£51,000,000) and grant in aid for Non-Departmental public bodies (Section K) (£1,181,000).

Transfers from non-voted spending

Amount: £4,000

Section: D

To increase other current provision for Local Governance (Section D) (£4,000).

Transfer from RfR1

Amount: £1,410,000

Sections: B and C

To increase other current provision for: Best Value Inspection subsidies to Public Corporations and best value intervention costs (RfR2: Section B) by a transfer from Better Services (RfR1: Section B) (£1,400,000) and Local Government research and publicity, mapping costs and electoral law (Section C) by a transfer from Housing Demand and Supply (RfR1: Section A) (£10,000).

Decreases:

Transfer to non-voted spending

Amount: £2,000,000

Section: H

To decrease grants provision for Other Grants and Payments (resource grants) (Section H) (£2,000,000).

Transfer to RfR1

Amount: £18,200,000

Section: H

To decrease grants provision for Other Grants and Payments (resource grants) (Section H) (£18,200,000) by transfers to Tackling Disadvantage (RfR1: Section O) (£200,000) and non voted provision (£18,000,000).

Introduction

Neutral changes

Transfers within the RfR

Section: A, B, C, D, H

Transfer from: Valuation Services (Section A) to Local Governance (Section D) (£341,000); Best Value Inspection subsidies to Public Corporations and best value intervention costs (Section B) to Other Grants and Payments (resource grants) (Section H) (£1,700,000); Local Governance (Section D) to Other Grants and Payments (resource grants) (Section H) (£530,000) and Local Governance (Section D) to Local Government research and publicity, mapping costs and electoral law (Section C) (£100,000).

2. As a result of these changes there is an increase in the net cash requirement of £166,856,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	1,000
RfR 2: Providing for effective devolved decision making within a national framework	106,473,000
Total additional net resource requirement	106,474,000
Additional net cash requirement	166,856,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office of the Deputy Prime Minister on:

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

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

Part I (*continued*)

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

payments to the Valuation Office Agency for rating and valuation services; payments to the Audit Commission for Best Value inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayments of excess contributions made by local authorities in respect of non-domestic rates in 2004-05 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant; intervention action and capacity building in local authorities; local Public Service Agreement (PSA) performance fund payments; special grants paid under section 88B of the Local Government Finance Act 1988 and section 31 of the Local Government Act 2003; Best Value grants to Parish Councils; grants to beacon councils; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended, and to the Commission for Local Administration in England; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant-in-aid to the Standards Board for England and to Valuation Tribunal Service; payments in respect of the work of the Parliamentary Boundary commissions; electoral functions in the United Kingdom; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments; subscriptions to the Commonwealth Local Government forum; and associated non-cash items.

The **Office of the Deputy Prime Minister** will account for this Estimate.

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						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Housing Supply and Demand	421,879	-323,283	-	-323,283	98,596
RfR 1 - B	Decent Places to Live	113,079	-36,246	-	-36,246	76,833
RfR 1 - C	Tackling Disadvantage	131,655	7,982	-	7,982	139,637
RfR 1 - D	Better Services	105,102	-9,276	1,416	-10,692	94,410
RfR 1 - E	Development of English Regions	1,226,035	4,526	-	4,526	1,230,561
RfR 1 - F	Central Administration	206,936	23,123	10,609	12,514	219,450
RfR 1 - G	Government Office Administration	103,160	49,150	12,706	36,444	139,604
RfR 1 - I	European Structural funds - ODPM	5,002	292	-	292	5,294
RfR 1 - M	Housing Supply and Demand (capital grants to local authorities)	271,891	215,546	-	215,546	487,437
RfR 1 - N	Decent Places to Live (capital grants to local authorities)	12,915	37,500	-	37,500	50,415
RfR 1 - O	Tackling Disadvantage	1,966,811	-1,800	-	-1,800	1,965,011
RfR 1 - P	Tackling Disadvantage (capital grants to local authorities)	101,300	47,999	-	47,999	149,299
RfR 1 - Q	Better Services	6,530	8,756	-	8,756	15,286
RfR 1 - S	Development of English Regions	102,299	-136	-	-136	102,163
RfR 1 - T	Development of English Regions (capital grants to local authorities)	170,000	500	-	500	170,500
Non-budget						
RfR 1 - AA	Housing Supply and Demand	2,128,528	12,741	12,642	99	2,128,627
Total RfR 1			37,374	37,373	1	

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

Spending in Departmental Expenditure Limits (DEL)						
RfR 2 - A	Valuation Services	174,450	19,000	-	19,000	193,450
RfR 2 - B	Best value inspection subsidies to Public Corporations & best value intervention costs	22,720	3,317	-	3,317	26,037
RfR 2 - C	Local Government Research and Publicity, MAPPING costs and Electoral law	3,439	4,701	-	4,701	8,140
RfR 2 - D	Local Governance	1,000	-967	-	-967	33
RfR 2 - H	Other Grants and Payments (resource grants)	780,060	-10,248	-	-10,248	769,812

Part II: Changes proposed

Resources		£'000				New Net Provision
		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	
RfR 2 - I	Other Grants and Payments (capital grants)	340,251	38,489	-	38,489	378,740
RfR 2 - J	Non-domestic Rates Outturn Adjustments and LABGIS	590,000	51,000	-	51,000	641,000
Non-budget						
RfR 2 - K	Non-departmental public bodies	19,543	1,181	-	1,181	20,724
Total RfR 2			106,473	-	106,473	
Total Changes to RfRs			143,847	37,373	106,474	

Capital and Cash	£'000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	104,443	-1,370	103,073
Non-Operating A in A	104	-	104
Net cash requirement	55,815,907	166,856	55,982,763

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions							
367,860	1,043,500	7,376,530	8,787,890	180,393	8,607,497	103,073	104
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Housing Supply and Demand							
2,625	88,208	16,954	107,787	9,191	98,596	6,844	-
B Decent Places to Live							
-	15,283	61,550	76,833	-	76,833	920	-
C Tackling Disadvantage							
-	47,543	92,094	139,637	-	139,637	-	-
D Better Services							
1	92,535	8,624	101,160	6,750	94,410	74,225	22
E Development of English Regions							
-	520	1,230,041	1,230,561	-	1,230,561	-	-
F Central Administration							
212,923	38,382	-	251,305	31,855	219,450	17,344	-
G Government Office Administration							
152,310	-	-	152,310	12,706	139,604	3,460	-
H European Structural Funds (net)							
-	-	1	1	-	1	-	-
I European Structural funds - ODPM							
-	5,292	2	5,294	-	5,294	280	-
J Ordnance Survey							
-	1,320	-	1,320	1,340	-20	-	-
K Queen Elizabeth II Conference Centre Executive Agency							
1	-	2	3	1,409	-1,406	-	82
<i>Support for Local Authorities</i>							
L Housing Supply and Demand							
-	-	141,580	141,580	-	141,580	-	-
M Housing Supply and Demand (capital grants to local authorities)							
-	-	487,437	487,437	-	487,437	-	-
N Decent Places to Live (capital grants to local authorities)							
-	-	153,415	153,415	103,000	50,415	-	-
O Tackling Disadvantage							
-	-	1,965,011	1,965,011	-	1,965,011	-	-
P Tackling Disadvantage (capital grants to local authorities)							
-	-	149,299	149,299	-	149,299	-	-
Q Better Services							
-	-	15,286	15,286	-	15,286	-	-

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

		Resources				Capital		£'000	
	1	2	3	4	5	6	7	8	
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Better Services (capital grants to local authorities)	-	-	5,000	5,000	-	5,000	-	-
S	Development of English Regions	-	-	102,163	102,163	-	102,163	-	-
T	Development of English Regions (capital grants to local authorities)	-	-	172,000	172,000	1,500	170,500	-	-
U	European Structural Funds (net)	-	-	1	1	-	1	-	-
V	European Structural Funds (net) (capital grants to local authorities)	-	-	1	1	-	1	-	-
	<i>Decent Places To Live</i>	-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central government spending</i>									
W	Decent Places To Live	-	754,367	-	754,367	-	754,367	-	-
X	Better Services	-	50	-	50	-	50	-	-
<i>Support for Local Authorities</i>									
Y	Housing Supply and Demand	-	-	18,800	18,800	-	18,800	-	-
Z	Decent Places to Live (capital grants to local authorities)	-	-	616,000	616,000	-	616,000	-	-
Non-budget									
AA	Housing Supply and Demand	-	-	2,141,269	2,141,269	12,642	2,128,627	-	-
RfR 2: Providing for effective devolved decision making within a national framework									
		-	235,125	46,992,090	47,227,215	465	47,226,750	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Valuation Services	-	193,450	-	193,450	-	193,450	-	-
B	Best value inspection subsidies to Public Corporations & best value intervention costs	-	26,037	-	26,037	-	26,037	-	-
C	Local Government Research and Publicity, MAPPING costs and Electoral law	-	8,605	-	8,605	465	8,140	-	-
D	Local Governance	-	33	-	33	-	33	-	-
<i>Support for Local Authorities</i>									
E	Revenue support grants	-	-	27,151,321	27,151,321	-	27,151,321	-	-

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

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
F	Non-domestic Rates Payments							
-	-	18,000,000	18,000,000	-	18,000,000	-	-	
G	London Governance							
-	-	37,493	37,493	-	37,493	-	-	
H	Other Grants and Payments (resource grants)							
-	7,000	762,812	769,812	-	769,812	-	-	
I	Other Grants and Payments (capital grants)							
-	-	378,740	378,740	-	378,740	-	-	
J	Non-domestic Rates Outturn Adjustments and LABGIS							
-	-	641,000	641,000	-	641,000	-	-	
Non-budget								
K	Non-departmental public bodies							
-	-	20,724	20,724	-	20,724	-	-	
Total for Estimate:								
367,860	1,278,625	54,368,620	56,015,105	180,858	55,834,247	103,073	104	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	55,727,773	106,474	55,834,247
Voted capital items			
Capital expenditure	104,443	-1,370	103,073
<i>Less: non-operating A in A</i>	<u>104</u>	<u>-</u>	<u>104</u>
Total net voted capital	104,339	-1,370	102,969
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-5,763	-103	-5,866
Depreciation	-11,466	-1,256	-12,722
New provisions and adjustments to previous provisions	-11,422	-	-11,422
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	2,025	2,025
Increase(-)/decrease (+) in creditors	-	61,086	61,086
Use of provisions	<u>12,446</u>	<u>-</u>	<u>12,446</u>
Total accruals to cash adjustments	-16,205	61,752	45,547
Excess cash to be CFERd	-	-	-
Net cash requirement	55,815,907	166,856	55,982,763

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
Net Administration Costs		
RfR 1	335,358	
RfR 2	-	
	<hr/>	
Total Net Administration Costs		335,358
Net Programme Costs		
RfR 1	5,946,223	
RfR 2	47,226,750	
	<hr/>	
Total Net Programme costs		53,172,973
Total Net Operating Cost		53,508,331
<i>of which:</i>		
Net Resource Outturn		55,834,247
CFERs		-2,325,916
Non-voted expenditure		-
Resource Budget Outturn		53,156,633
<hr/>		

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	55,834,247
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-2,325,916
Other adjustments	-
Net Operating Costs (Accounts)	53,508,331
<i>Adjustments to remove:</i>	
capital grants to local authorities	-1,971,798
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	184,071
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	1,794,666
resource consumption of non departmental public bodies	-434,243
unallocated resource provision	-
Other adjustments	75,606
Resource Budget Outturn (Budget)	53,156,633
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	52,272,500
Annually Managed Expenditure (AME)	884,133

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	102,969
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	438,474
capital grants to local authorities	1,971,798
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	1,842,470
capital spending by levy funded bodies	-
unallocated capital provision	4,460
Other adjustments	130,000
Capital Budget Outturn (Budget)	4,490,171
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,874,171
Annually Managed Expenditure (AME)	616,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Peter Housden, Permanent Head of the Office of the Deputy Prime Minister
Request for Resources 2	Neil Kinghan, Additional Accounting Officer and Director General of the Local Government and Fire Group of the Office

Peter Housden, as the Principal Accounting Officer (PAO) of the Office of the Deputy Prime Minister has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Office of the Deputy Prime Minister.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions		
Housing Supply and Demand – Section A	9,191	-
Better Services – Section D	6,750	22
Central Administration – Section F	31,855	-
Ordnance Survey – Section J	1,340	-
Government Office Administration - Section G	12,706	-
Queen Elizabeth II Conference Centre Executive Agency – Section K	1,409	82
Decent Places to Live (capital grants to local authorities) – Section N	103,000	-
Development of English Regions (capital grants to local authorities – Section T	1,500	-
Housing Supply and Demand - Section AA	12,642	-
Total RfR 1	180,393 *	104 **
<p>*Amount that may be applied as appropriations in aid in addition to the net total arising from: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments, devolved administrations; agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; receipts from the Academy for Sustainable Communities; recovered renovation or disabled facilities grants; recovered derelict land and other regeneration grants; charges made by the Planning Inspectorate executive agency in England and Wales; receipts from inspections by HM Fire Service Inspectorate; fire service dispute(s); dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue central centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from local authorities in respect of fire services; licence fee income generated from the sale of software licence(s); receipts from the Urban Summit; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services; former SRB programme receipts; and the sale of Property Services Agency businesses.</p>		
<p>**Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; repayment of deemed and voted loans made to the Queen Elizabeth II Conference Centre and the Fire Service College; receipts from the Housing Corporation and the sale of PSA businesses.</p>		
RfR 2: Providing for effective devolved decision making within a national framework		
Local government research and publicity, and Local Government Commission mapping costs and electoral law – Section C	465	-
Total RfR 2	465 *	-
<p>*Amount that may be applied as appropriation in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; the Home Office; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and fines passed on by the Department for Constitutional Affairs.</p>		
Total A in A	180,858	104
<i>of which: Administration budgets</i>	-	-

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-261,647	50,352,952	1,919,548	52,272,500
<i>of which : Administration Budget</i>	<i>48,107</i>	<i>335,358</i>	<i>-</i>	<i>335,358</i>
Capital	549,841	1,588,767	2,285,404	3,874,171
Depreciation*	-2,512	-12,722	-2,556	-15,278
Total	285,682	51,928,997	4,202,396	56,131,393

*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

180,962

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

Expenditure resting on the sole authority of the Appropriation Act

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

Subhead	Service	■	£'000
B	Robust Details Scheme		150

Notes to the Estimate (*continued*)

Grants in Aid

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

RfR 1	£ million
Urban Regeneration Agency	280.6
Housing Corporation	1,715.9
Housing Corporation - Thames Gateway	1.3
South East England Development Agency	46.4
East England Development Agency	25.0
Thurrock Urban Development Agency	♥ 32.5
London Urban Development Corporation	♥ 22.5
West Northamptonshire Urban Development Corporation	♥ 4.4
RfR 2	
Standards Board for England	9.2
Valuation Tribunal Service	11.5

Home Office

Introduction

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

RfR 1: Building a safe, just and tolerant society

Increases:

Take up of End-Year Flexibility

1. £100,000,000 of near cash resource comprising:
 - £21,000,000 admin to section O for the departmental reform programme.
 - £970,000 programme to section F to cover the deliverance of policy objectives and manage emerging pressures.
 - £30,000 programme to section F to cover programme management costs
 - £11,180,000 programme to section D for the police incentivisation scheme.
 - £1,820,000 programme to the National Crime Squad for the police incentivisation scheme
 - £15,000,000 programme to section G for the voluntary community sector Cross-Cutting Review Healthy Sector ChangeUp Grant
 - £20,000,000 programme to section I to meet commitment to Probation Boards and address capacity pressures.
 - £10,000,000 programme to section I to provide funding for the National Offender Management Information system (NOMIS).
 - £10,000,000 programme to the Criminal Injuries Compensation Authority to cover additional costs required to alleviate caseload backlog pre 7/7.
 - £10,000,000 programme to section F for Crown prosecution Service charging.
2. £7,924,000 capital comprising:
 - £1,924,000 capital to section D for Police counter terrorism project
 - £3,000,000 capital to section D for data retention by Communication Service Providers, part of the Anti Terrorism Crime and Security Act.
 - £3,000,000 capital to section N for IT projects.

Transfers from Central Funds

1. Invest to Save budget, £2,455,000 resource and £187,000 capital:
 - £100,000 programme to section B for ISB funded TEA project which deals with truancy exclusion and anti social behaviour.
 - £208,000 programme and £4,000 capital to section B for ISB funded Devon action against domestic violence and abuse project .
 - £48,000 programme and £5,000 capital to section M for ISB funded project 'Investing in a multi cultural Barnsley'.
 - £228,000 programme to section M for ISB funded project dealing with rough sleeping in Westminster
 - £298,000 programme and £1,000 capital to section M for ISB funded project 'Nationwide Refugee mentoring'.
 - £395,000 programme to section I for ISB funded project to run a pilot virtual young offenders institution
 - £517,000 programme and £93,000 capital to section I for ISB funded Children and Families Project
 - £191,000 programme and £70,000 capital to section K for ISB funded West Yorkshire community chaplaincy project.
 - £470,000 programme and £14,000 capital to section K for ISB funded 'Family days and support' project.

Introduction (*continued*)

Transfers from other government departments

1. Transfer from Crown Prosecution Service, £3,482,000 resource:
 £3,332,000 programme to section for the "No Witness No Justice" partnership programme to improve services to prosecution witnesses in criminal cases.
 £150,000 programme to section F for development costs of the central witness bureau.
2. Transfer from Department for Constitutional Affairs, £2,150,000 resource and £16,900,000 capital:
 £2,000,000 admin to section F to provide area and central support for the local criminal justice boards.
 £150,000 programme to section F for development costs of the central witness bureau.
 £16,310,000 capital to section A for criminal justice IT funding.
 £590,000 capital to section K to provide additional resources for the Offender Management National Infrastructure (OMNI) information technology programme.
3. Transfer from Department for Education and Skills, £4,436,000 resource:
 £1,002,000 programme to section E for substance misuse training as part of the pooled budget for the Young Peoples Substance Misuse Partnership Grant.
 £200,000 programme to section E in respect of Change Fund contribution to Young People Substance Misuse Partnership Grant
 £1,700,000 programme to section J for education funding for the contracted out prison estate.
 £1,534,000 programme to section K for funding of education within the public sector prisons.
4. Transfer from Department of Health, £4,500,000 resource:
 £4,500,000 programme to section E for a contribution to the pooled budget for the Young Peoples Substance Misuse Partnership Grant.
5. Transfer from HM Revenue and Customs, £1,454,000 resource:
 £1,454,000 programme to section D for Project Cyclamen
6. Transfer from Scottish Executive, £10,000 resource:
 £10,000 programme to section D to help pay for the security measures at Holyrood House.

Other increases

1. DEL Reserve claims of £20,000,000 resource comprising:
 £5,000,000 programme to the Criminal Injuries Compensation Authority to cover costs associated with the London bombings.
 £15,000,000 programme to section A for additional police costs following the London terrorist incidents in July 2005.
2. DEL Reserve claim of £15,000,000 (capital):
 £15,000,000 capital (section M) re-profiled from 2007-08 to 2005-06 for biovisa funding.
3. Detailed business planning resulting in movements between sections (no net impact on DEL):
 £76,580,000 net increase in resources (increase in gross provision of £85,441,000 offset by change in appropriations in aid of £8,861,000):
 Change in gross resource provision comprises:
 £49,952,000 to section A; £32,818,000 to section B; £1,168,000 to section I; £3,871,000 to section M;
 £46,523,000 to section W; £17,248,000 to section Z; £49,069,000 to section AA; £1,321,000 to section AD;
 £3,092,000 to section AE; £5,265,000 to section AF; £348,000 to section AG.
 Offset by reductions:
 £26,325,000 from section D; £5,462,000 from section E; £581,000 from section F; £2,401,000 from section G;
 £5,757,000 from section O; £64,684,000 from section Q; £2,460,000 from section R; £1,415,000 from section S;
 £11,986,000 from section T; £168,000 from section U; £2,116,000 from section X; £1,879,000 from section Y.
 Additional appropriations in aid of:
 £2,881,000 to section A; £512,000 to section E; £1,692,000 to section M and £5,276,000 to section O.
 offset by a reduction of £1,500,000 from section G.

Introduction (*continued*)

£13,601,000 net increase in capital provision involving increases:
 £300,000 to section B; £14,686,000 to section D; £94,000 to section G
 Offset by transfers:
 £1,449,000 from section A; £30,000 from section M.

Included within the business planning changes noted above are:
 Increase in grant in aid to NDPB's of £118,871,000.
 Transfers from voted to non voted DEL of £4,323,000 resource and £24,367,000 capital.
 Transfers from the DUP of £733,000 administration costs and £4,961,000 programme.

4. Increase in grant in aid to NDPB's:
 £5,262,000 increase in grant in aid to section AF to align cash with CICA budget provision
 £348,000 increase in grant in aid to section AG to align cash with Criminal Cases Review Commission budget provision
 £17,809,000 increase in grant in aid to section AD to cover the National Probation Service (local area boards) costs associated with the release of a pensions provision.
5. £3,307,000 programme AME to section V for the bulk transfer value of pensions associated with a transfer of School Crossing Patrol staff to the Local Government Pension Scheme.

Decreases:

Transfers to other government departments

1. Transfer to Crown Prosecution Service, £35,255,000 resource:
 £14,000,000 programme from section F to provide additional resources to fund the charging programme.
 £452,000 programme from section F to fund the development of Exchange Integration Service Stream Release 1 (EXISS R1), an initiative to improve the integration of Criminal Justice IT Systems
 £1,487,000 programme from section F to provide support to the local criminal justice boards.
 £350,000 programme from section F to provide additional resources for the Compass case management system information technology programme.
 £287,000 programme from section E to fund resources in Regional Asset Recovery Teams
 £9,100,000 programme from section D to cover the Attorney General's costs of asset recovery work under the Proceeds Of Crime Act 2002
 £8,350,000 programme from section K to provide additional resources for the compass case management system information technology programme.
 £1,229,000 programme from section A to support joint working and improve effective use of enforcement measures for ASBOs.
2. Transfer to Department for Constitutional Affairs, £27,545,000 resource and £3,480,000 capital:
 £23,780,000 programme from section A for criminal justice IT funding.
 £215,000 programme from section F to support the work of the Essex local criminal justice board.

 £3,550,000 programme from section F to provide additional resources for Effective Trial Management Programme (ETMP) information technology programme.
 £3,480,000 capital from section F to provide additional resources for Effective Trial Management Programme (ETMP) information technology programme.
3. Transfer to Department for Education and Skills, £1,231,000 resource:
 £1,231,000 programme from Section G for the Youth Volunteering Challenge.
4. Transfer to Department for Transport, £340,000 resource:
 £340,000 admin from section F to contribute towards the funding of the development of the Libra Restart Project

Introduction (*continued*)

5. Transfer to Department of Health, £33,228,000 resource:
 - £505,000 programme from Section G for the ChangeUp Public Service Priority Programme
 - £18,985,000 programme from section K for additional funding.
 - £105,000 programme from section O for the provision of a dedicated web site for Hospital Security issues.
 - £12,300,000 programme from section L as a contribution to the pooled drug treatment budget, to support the treatment and testing components of Drug Treatment and Testing Orders and drug rehabilitation requirements.
 - £1,333,000 programme from section E for Drugs Intervention Programme related costs.
6. Transfer to Foreign and Commonwealth Office, £1,000,000 resource:
 - £1,000,000 programme from section D for Afghanistan related counter narcotic work.
7. Transfer to Food Standards Agency, £300,000 resource:
 - £300,000 programme from section D to research the survivability of CB agents in bottled water and packaged food.
8. Transfer to HM Revenue and Customs, £3,120,000 resource:
 - £3,120,000 programme from section D for the maintenance of a Cash Forfeiture Litigation Team, and to cover expenditure in the Regional Asset Recovery Teams, Money Laundering Teams and Document Exploitation Teams
9. Transfer to National Assembly for Wales, £580,000 resource:
 - £516,000 admin from section B for Crime Reduction teams in the National Assembly of Wales
 - £64,000 admin from Section G for funding staff at Government Offices to administer community cohesion grant programmes.
10. Transfer to Office of the Deputy Prime Minister, £17,075,000 resource:
 - £ 7,425,000 admin from section B for Crime Reduction teams in the Government Offices.
 - £4,836,000 admin from section E for the pay and administration costs of the former Drug Prevention Advisory Service following its integration in the Government Offices for the Regions
 - £ 1,803,000 admin from section E for administration costs of the Capacity Building (Criminal Justice Intervention Programme) in the Government Offices for the Regions
 - £380,000 admin from Section G for funding staff at Government Offices to administer ACU grant programmes.
 - £400,000 admin from Section G for funding staff at Government Offices to administer Communities Group grant programmes.
 - £581,000 admin from Section G for funding staff at Government Offices to administer Communities Group grant programmes.
 - £800,000 admin from Section G for funding staff at Government Offices to administer community cohesion grant programmes.
 - £850,000 programme from Section G for the ChangeUp Public Service Priority Programme

Neutral changes:

Increased spending offset by income:

1. £110,000 increase in gross admin and admin receipts in section I to enable additional work to be completed and charged on behalf of other organisations
2. £32,400,000 increase in gross capital and non operating receipts in section I for funding YJB related projects (£14,600,000); DFES related projects (£800,000) and NOMS property unit (£17,000,000).

Transfers within the RfR

1. £169,000 admin from section A to section F for staff transferred from the Police Reform Unit to OCJR Trial Policy and Procedures Unit
2. £1,170,000 programme from section A to section F for the criminal justice exchange programme.
3. £150,000 programme from section A to section F for the central witness bureau

Introduction (*continued*)

4. £9,000,000 programme from section B to section I for the Youth Intervention Programme (YIP)
5. £473,000 programme from section E to section L for the drug testing of offenders
6. £354,000 admin from section F to section B for the posts transferred from Criminal Law Policy Unit to the Violent Crime Unit post OCJR reorganisation
7. £1,224,000 admin and £72,000 programme from section F to section I for the posts transferred from OCJR to NOMS post OCJR reorganisation
8. £3,300,000 programme and £200,000 capital from section F to section K for the Violent and Sexual Offenders Register (ViSOR) information technology programme.
9. £710,000 capital from section F to section K for the Offender Management National Infrastructure (OMNI) information technology programme.
10. £478,000 programme from section G to section I for the ChangeUp Public Service Priority Programme
11. £63,000 admin from section I to section F for a delivery manager post
12. £85,000 admin from section I to section F for consultancy transition costs and expenses
13. £2,725,000 programme and £500,000 capital from section I to section K for drugs funding
14. £11,055,000 programme from section I to section K to fund the dangerous & severe personality disorder Units at HMP Frankland (£6,428,000), HMP Whitemoor (£4,400,000) and HMP Low Newton (£227,000)
15. £233,000 programme from section I to section K for the psychopathy programme at HMP Frankland & Rampton Hospital
16. £350,000 capital from section I to section K to fund the Dangerous & Severe Personality Disorder Unit at HMP Whitemoor (£100,000) and HMP Low Newton (£250,000)
17. £195,000 programme from section I to section K for management of the Bagthorpe project
18. £29,633,000 programme from section I to section K to provide funding for capacity issues within the Prison Estate.
19. £3,494,000 programme from section I to section K to fund escorts maintenance costs.
20. £15,348,000 capital from section I to section K to fund capital projects
21. £344,000 programme from section I to section J for drugs funding at HMP Bronzefield
22. £200,000 programme from section J to section I for the regional offender manager for the east of England
23. £440,000 admin and £500,000 programme from section K to section I to fund the commissioning and contestability programme.
24. £410,000 programme from section K to section I to fund the 'Quantum' IT refresh.
25. £1,900,000 programme from section K to section I for In-Cell Televisions
26. £245,000 programme from section K to section J for transfer of the monitor team salary costs at HMP Blakenhurst and HMP Buckley Hall
27. £100,000 admin and £1,273,000 programme from section L to section I for the transfer of the Criminal Justice Act Team.
28. £735,000 admin from section O to section F for research staff transferred to OCJR post OCJR reorganisation

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

1. £500,000 programme from section B to YJB for funding of individual support orders (ISO)
 2. £1,182,000 programme from section I to YJB for the Horizon IT programme
 3. £600,000 programme from section I to YJB for Castington & Onley healthcare
 4. £3,290,000 programme from section K to YJB in respect of funding for superannuation charges
 5. £418,000 programme from section K to YJB for utilities inflation
 6. £501,000 programme from section E to the National Probation Service (Local Area Boards) for drug testing of offenders
 7. £2,200,000 programme from section I to the National Probation Service (Local Area Boards) for the North-West (£2,100,000) and Welsh (£100,000) pathfinder projects.
 8. £8,033,000 programme from YJB to section E for the pooled budget for the Young Peoples Substance Misuse Partnership Grant.
 9. £486,000 programme from YJB to section K in respect of increased superannuation charges
2. As a result of these changes there is an increase in the net cash requirement of: £144,889,000.
 3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Building a safe, just and tolerant society	†	120,299,000
Total additional net resource requirement		120,299,000
Additional net cash requirement		144,889,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by Home Office on:

RfR 1: Building a safe, just and tolerant society

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

The Home Office will account for this Estimate.

† Section G of the Estimate includes provision for £2,500,000 in respect of preparatory procurement activities for Identity Cards, and recruitment, branding and marketing activities for the proposed Identity Cards and Passport Agency, new services subject to the passage of the Identity Cards Bill which passed Second Reading on 28th June 2005 and is expected to receive Royal Assent in late-January 2006. The provision sought will not be used for the service or for any other purpose until the enabling legislation has been enacted.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Building a safe, just and tolerant society					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Police	522,852	38,454	2,881	35,573	558,425
RfR 1 - B Crime reduction	196,601	16,039	-	16,039	212,640
RfR 1 - D Organised and international crime	308,624	-27,488	-	-27,488	281,136
RfR 1 - E Drugs	196,011	-673	512	-1,185	194,826
RfR 1 - F Criminal justice	107,104	-6,921	-	-6,921	100,183
RfR 1 - G Communities group	143,801	7,310	-1,500	8,810	152,611
RfR 1 - I Corrections HQ	251,858	-4,022	110	-4,132	247,726
RfR 1 - J Prisons - private sector	145,097	2,089	-	2,089	147,186
RfR 1 - K Prisons - public sector	2,265,255	18,778	-	18,778	2,284,033
RfR 1 - L Probation HQ	185,404	-13,200	-	-13,200	172,204
RfR 1 - M Immigration and Nationality	1,508,341	4,445	1,692	2,753	1,511,094
RfR 1 - O Central services	241,108	14,403	5,276	9,127	250,235
RfR 1 - Q Police grants	4,997,458	-64,684	-	-64,684	4,932,774
RfR 1 - R Loan charges	15,520	-2,460	-	-2,460	13,060
RfR 1 - S Crime reduction grants	34,000	-1,415	-	-1,415	32,585
RfR 1 - T Organised and international crime grants	65,000	-11,986	-	-11,986	53,014
RfR 1 - U Immigration and Nationality grants	674	-168	-	-168	506
Spending in Annually Managed Expenditure (AME)					
RfR 1 - V Police superannuation	831	3,307	-	3,307	4,138
Non-budget					
RfR 1 - W Police Information Technology Organisation	256,298	46,523	-	46,523	302,821
RfR 1 - X Central Police Training and Development Agency	95,277	-2,116	-	-2,116	93,161
RfR 1 - Y Independent Police Complaints Commission	29,346	-1,879	-	-1,879	27,467
RfR 1 - Z National Criminal Intelligence Service	65,263	17,248	-	17,248	82,511
RfR 1 - AA National Crime Squad	149,617	49,069	-	49,069	198,686
RfR 1 - AD National Probation Service (local area boards)	757,700	21,831	-	21,831	779,531
RfR 1 - AE Youth Justice Board	416,597	563	-	563	417,160

Part II: Changes proposed

		£'000				
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1 - AF	Criminal Injuries Compensation Authority	218,468	25,527	-	25,527	243,995
RfR 1 - AG	Criminal Cases Review Commission	6,654	696	-	696	7,350
Total RfR 1			129,270	8,971	120,299	

		£000		
Capital and Cash		Present Provision	Change in Provision	New Provision
Total Capital Expenditure		514,744	83,981	598,725
Non-Operating A in A		3,050	33,849	36,899
Net cash requirement		13,401,521	144,889	13,546,410

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Building a safe, just and tolerant society								
868,971	4,899,444	8,475,983	14,244,398	856,740	13,387,658	598,725	36,899	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Police								
62,476	29,205	473,210	564,891	6,466	558,425	16,310	1,499	
B Crime reduction								
11,952	31,207	169,481	212,640	-	212,640	304	-	
C Criminal Records Bureau								
82,083	-	-	82,083	82,083	-	-	-	
D Organised and international crime								
22,878	84,104	174,586	281,568	432	281,136	19,610	-	
E Drugs								
7,061	-	188,277	195,338	512	194,826	-	-	
F Criminal justice								
22,064	65,362	33,332	120,758	20,575	100,183	37,146	-	
G Communities group								
14,562	28,688	109,361	152,611	-	152,611	108	-	
H Futurebuilders								
-	-	58,000	58,000	-	58,000	-	-	
I Corrections HQ								
30,682	247,311	4,615	282,608	34,882	247,726	97,759	32,400	
J Prisons - private sector								
759	146,427	-	147,186	-	147,186	-	-	
K Prisons - public sector								
130,817	2,553,274	-	2,684,091	400,058	2,284,033	203,212	3,000	
L Probation HQ								
10,790	150,096	11,318	172,204	-	172,204	32,000	-	
M Immigration and Nationality								
122,586	1,527,050	35,150	1,684,786	173,692	1,511,094	127,976	-	
N Passport Service								
126,000	5	-	126,005	126,000	5	61,900	-	
O Central services								
224,261	36,715	280	261,256	11,021	250,235	2,400	-	
P European Refugee Fund								
-	-	1	1	-	1	-	-	
<i>Support for Local Authorities</i>								
Q Police grants								
-	-	4,932,774	4,932,774	-	4,932,774	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
	1	2	3	4	5	6	7	8	
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Loan charges	-	-	13,060	13,060	-	13,060	-	-
S	Crime reduction grants	-	-	32,585	32,585	-	32,585	-	-
T	Organised and international crime grants	-	-	53,014	53,014	-	53,014	-	-
U	Immigration and Nationality grants	-	-	506	506	-	506	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central government spending</i>									
V	Police superannuation	-	-	5,157	5,157	1,019	4,138	-	-
Non-budget									
W	Police Information Technology Organisation	-	-	302,821	302,821	-	302,821	-	-
X	Central Police Training and Development Agency	-	-	93,161	93,161	-	93,161	-	-
Y	Independent Police Complaints Commission	-	-	27,467	27,467	-	27,467	-	-
Z	National Criminal Intelligence Service	-	-	82,511	82,511	-	82,511	-	-
AA	National Crime Squad	-	-	198,686	198,686	-	198,686	-	-
AB	Security Industry Authority	-	-	1	1	-	1	-	-
AC	Parole Board grant and non-budget PFI charges	-	-	4,213	4,213	-	4,213	-	-
AD	National Probation Service (local area boards)	-	-	779,531	779,531	-	779,531	-	-
AE	Youth Justice Board	-	-	417,160	417,160	-	417,160	-	-
AF	Criminal Injuries Compensation Authority	-	-	243,995	243,995	-	243,995	-	-
AG	Criminal Cases Review Commission	-	-	7,350	7,350	-	7,350	-	-
AH	Community Development Foundation	-	-	1,458	1,458	-	1,458	-	-
AI	Commission for Racial Equality	-	-	19,100	19,100	-	19,100	-	-
AJ	Office of the Immigration Service Commissioner	-	-	3,822	3,822	-	3,822	-	-
Total for Estimate:									
	868,971	4,899,444	8,475,983	14,244,398	856,740	13,387,658	598,725	36,899	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	13,267,359	120,299	13,387,658
Voted capital items			
Capital expenditure	514,744	83,981	598,725
<i>Less: non-operating A in A</i>	<u>3,050</u>	<u>33,849</u>	<u>36,899</u>
Total net voted capital	511,694	50,132	561,826
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-178,767	2,163	-176,604
Depreciation	-237,643	-20,814	-258,457
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-300	300	-
Increase(+)/decrease (-) in stock	3,038	-	3,038
Increase(+)/decrease (-) in debtors	4,971	-	4,971
Increase(-)/decrease (+) in creditors	6,169	-	6,169
Use of provisions	<u>25,000</u>	<u>-7,191</u>	<u>17,809</u>
Total accruals to cash adjustments	-377,532	-25,542	-403,074
Excess cash to be CFERd	-	-	-
Net cash requirement	13,401,521	144,889	13,546,410

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	130,079	<i>130,079</i>	114,510	<i>114,510</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	62,708	<i>62,708</i>	62,708	<i>62,708</i>
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	192,787	<i>192,787</i>	177,218	<i>177,218</i>

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1		649,798
Net Programme Costs		
RfR 1	12,623,350	
Total Net Programme costs		12,623,350
Total Net Operating Cost		13,273,148
<i>of which:</i>		
Net Resource Outturn		13,387,658
CFERs		-114,510
Non-voted expenditure		-
Resource Budget Outturn		12,766,610

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	13,387,658
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-114,510
Other adjustments	-
Net Operating Costs (Accounts)	13,273,148
<i>Adjustments to remove:</i>	
capital grants to local authorities	-386,148
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	13,507
voted expenditure outside the budget	-779,531
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	9,510
resource consumption of non departmental public bodies	-213,947
unallocated resource provision	59,767
Other adjustments	790,304
Resource Budget Outturn (Budget)	12,766,610
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	12,761,597
Annually Managed Expenditure (AME)	5,013

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	561,826
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	176,737
capital grants to local authorities	386,148
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	73,320
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	1,198,031
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,198,031
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sir John Gieve, Principle Accounting Officer and Permanent Head of Department
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Sir John Gieve as the Principal Accounting Officer (PAO) of the Home Office has personal responsibility for the proper presentation of the Home Office's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to any responsibilities for the assigned RfR, remains in general overall charge of the Home Office.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
RfR 1: Building a safe, just and tolerant society		
Income from fees and charges	423,957	-
Income from licences	-	-
Contributions from Scotland & Northern Ireland Office	20,575	-
EC receipts	-	-
Superannuation transfer values	1,019	-
Income from sale of land and buildings and other assets	-	4,449
Income from other sales	-	50
Receipts from other government departments	110	32,400
Public Dividend Capital	-	-
Rent receipts	-	-
Recovery of cost and other income	411,079	-
Receipts from Youth Justice Board	-	-
Total RfR 1	856,740 *	36,899 **
<i>of which: Administration budgets</i>	<i>219,173</i>	<i>-</i>

*Amount that may be applied as appropriations in aid in addition to the net total, arising from: receipts from government departments, overseas Governments, sale and hire of vehicles, plant, machinery, land and buildings, rent, accommodation charges, sale of equipment and scrap, recoveries of VAT, tax rebates, recovery of salaries of staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, telephone, postal and bank charge recoveries, tax rebates, European Fast Stream receipts from the Cabinet Office, subsidies under the Welfare to Work programme, contributions towards grant programmes, training services, profit on the sale of capital assets, compensation and insurance, contributions towards criminal justice system initiatives, rebates and commission from service contracts, payments from Health Authorities, payments from the National Assembly for Wales and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England.

Payment of dividends and repayment of principal and interest on the deemed and long-term loans by the Forensic Science Service, receipts from police training courses and repayment services, police examinations board, Police National Computer Organisation repayment services, loan of specialised equipment, repayment of support for Police Dependents' Trust, National Identification Bureau-subject access fees, HM Inspectorate of Constabulary inspection, Superintendents' Association contribution to police negotiating machinery, research repayment services and sub-bureaux contributions to Interpol subscription, payments in respect of the lease of Allington Towers, fees for licence for production, supply, possession, import and export of controlled drugs, police services superannuation transfer values received from local authorities, fees for documents of identity: receipts under the Data Protection Acts 1984 and 1998 and Freedom of Information Act 2000.

Charges for provision of additional (or special) immigration services, receipts in connection with the Channel Tunnel, from carrying companies for any expenses incurred in respect of certain persons detained or liable to be detained under Immigration Act 1971 and Immigration and Nationality Act 1999, fees under the British Nationality Acts 1948 and 1981, fees for Certificates of Entitlement for Right of Abode, fees for passports in respect of services to individual applicants, fees for work permits and after entry charges under the Asylum and Immigration Act 2002, recoveries related to passport search fees, receipts under the Misuse of Drugs Act 1971, fees payable to the Commissioner for the Registration of Immigration Advisors, income from rental charges for television sets, share of gross profits from prison shops and from services purchased by staff etc. from the activities of prison industries and farms, from the supply of inmate labour and from other goods and services, agricultural subsidies from advertisements in the Prison Service News, from the sale of waste, payments from the Youth Justice Board.

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

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Passport fee receipts	62,708	62,708
Carriers liability receipts	8,256	8,256
Licence fee receipts	-	-
Interest on loan	1,254	1,254
Income from recovered assets	105,000	105,000
Total	177,218	177,218

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	18,813	10,821,095	1,940,502	12,761,597
<i>of which : Administration Budget</i>	5,855	649,798	54,728	704,526
Capital	36,531	947,974	250,057	1,198,031
Depreciation*	20,351	-258,457	-55,385	-313,842
Total	75,695	11,510,612	2,135,174	13,645,786

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	893,639

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR	Subhead	Service	£'000
RfR1	A3	Grant to the Independent Custody Visiting Association ■	250
RfR1	A3	Grant to the Council for the Registration of Forensic Practitioners ■	300
RfR1	A3	Police Superintendants Association ■	380
RfR1	A3	Police Federation ■	135
RfR1	A3	Grant to the association for Bereavement Counselling of Road Accident Victims ■	28
RfR1	A3	National Black Police Association (NBPA) ■	80
RfR1	A3	Association of Chief Police Officers (ACPO) ■	470
RfR1	A3	British Association of Women Police (BAWP) ■	35
RfR1	A3	Police Negotiating Board (PNB) – Independent Secretariat ■	52
RfR1	A3	Police Negotiating Board – Official Side Secretariat ■	242
RfR1	A3	Police Negotiating Board – Staff side ■	126
RfR1	F3	Grants to the National Office of Victim Support ■	30,000
RfR1	F3	Eaves Housing for Women ■	216
RfR1	F3	Brake ■	50
RfR1	F3	Support After Murder & Manslaughter ■	140
RfR1	F3	Rape Crisis Federation ■	448
RfR1	H3	Futurebuilders ■	58,200
RfR1	G3	Community Development Foundation ■	1,458
RfR1	G3	Grants to certain organisations working in the voluntary sector to promote voluntary activity or community development and to support innovatory projects etc ■	91,244
RfR1	I3	Institute of Psychiatry Home Office Teaching Unit ■	350
RfR1	I3	Fawcett Society ■	35
RfR1	I3	National Association for Care & Resettlement of Offenders (NACRO) ■	221
RfR1	I3	Centre for Criminology Justice Economics & Psychology ■	250
RfR1	I3	Revolving Doors ■	44
RfR1	I3	Grant for a diversity restorative justice research pilot ■	525
RfR1	M3	RETAS (FREE project) – grants for training/education ■	30
RfR1	M3	Refugees into jobs – grants for training/education	433

Notes to the Estimate (*continued*)
Grants in aid above £1 million

RfR1	£ '000
Criminal Injuries Compensation	243,995
Criminal Cases Review Commission	7,350
Commission for Racial Equality	19,100
Community Development Foundation	1,458
Youth Justice Board	417,160
Independent Police Complaints Commission	27,467
Police Information Technology Organisation	302,821
National Crime Squad	198,686
National Criminal Intelligence Service	82,511
Probation Service grant to local area boards	779,531
Central police training and development agency (CENTREX)	93,161
Grant to Women's Royal Voluntary Services	2,943
Victim support	30,000
National Association for Care and Resettlement of Offenders (NACRO)	1,331
The Langley House Trust	1,260
Office of The Immigration Services Commissioner	3,822
Immigration Advisory Service and Refugee Legal Council	18,475
Parole Board	4,213
Total	<u>2,235,284</u>

Assets Recovery Agency

Introduction

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

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

Increases:

Take up of End Year Flexibility (EYF)

1. Take up of resource EYF of £1,547,000 (of which, all is near cash)
 - (a) Resources - administration costs
£114,000 (Subhead A1)
Increased staffing levels in support functions
 - (b) Resources - other
1,433,000 (Subhead A2)
Increase in operational costs due to Agency expansion
2. Take up of capital EYF of £11,000
Capital - other
£11,000 (Subhead A7)
Increase in expenditure on IT Assets

Neutral Changes:

Increase in gross spending offset by income

1. Programme
£15,000
To give effect to an increase in Appropriations-in-Aid (Subhead A5) to support additional gross spending on training (Subhead A2)
2. As a result of these changes there is an increase in the net cash requirement of £1,558,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	1,547,000
Total additional net resource requirement	1,547,000
Additional net cash requirement	1,558,000

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

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

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

The Assets Recovery Agency will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A	Helping to reduce crime	15,201	1,562	15	1,547	16,748
Total RfR 1			1,562	15	1,547	

£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	350	11	361
Non-Operating A in A	-	-	-
Net cash requirement	15,217	1,558	16,775

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation								
4,011	12,827	-	16,838	90	16,748	361	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Helping to reduce crime								
4,011	12,827	-	16,838	90	16,748	361	-	
Total for Estimate:								
4,011	12,827	-	16,838	90	16,748	361	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	15,201	1,547	16,748
Voted capital items			
Capital expenditure	350	11	361
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	350	11	361
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-6	-	-6
Depreciation	-325	-	-325
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-6	-	-6
Increase(-)/decrease (+) in creditors	63	-	63
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-334	-	-334
Excess cash to be CFERd	-	-	-
Net cash requirement	15,217	1,558	16,775

Part III: Extra receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	4,011
Total Net Administration Costs	4,011
Net Programme Costs	
RfR 1	12,737
Total Net Programme costs	12,737
Total Net Operating Cost	16,748
<i>of which:</i>	
Net Resource Outturn	16,748
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	16,748

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	16,748
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	16,748
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	16,748
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	16,748
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	361
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	361
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	361
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

Jane Earl, as the Principal Accounting Officer (PAO) of the Assets Recovery Agency has personal responsibility for the proper presentation of the Assets Recovery Agency's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Assets Recovery Agency.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation		
Charges for financial investigators courses	90	-
Total RfR 1	90 *	-
*Amount that may be applied as appropriations in aid in addition to the net total, arising from amount recovered through the delivery of specialist training courses in financial investigation and other associated asset identification and recovery to law enforcement agencies.		
Total A in A	90	-
<i>of which: Administration budgets</i>	-	-

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Assets Recovery Agency Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	1,547	16,748	-	16,748
<i>of which : Administration Budget</i>	<i>114</i>	<i>4,011</i>	<i>-</i>	<i>4,011</i>
Capital	11	361	-	361
Depreciation*	-	-325	-	-325
Total	1,558	16,784	-	16,784

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

Cash which may be retained to offset expenditure

£'000

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

90

Charity Commission

Introduction

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

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

Increases:

Take up of End Year Flexibility

1. Resources - administration costs

Take up of resources EYF of £1,910,000 (£1,410,000 near cash and £500,000 non cash)

(i) £1,410,000 (subhead A1)

One off accommodation costs and governance restructuring.

(ii) £500,000 (subhead A1)

Increase in resource cost for depreciation relating to increase in E-Business expenditure

2. Capital - other

Take up of capital EYF of £205,000

£205,000 (subhead A7)

To cover known peak in E-Business expenditure funded by prior year's controlled underspend.

Decreases:

Other decreases

1. Correction of error

£250,000 (subhead A1)

Correction of error in Main Estimate related to Efficiency Challenge Fund monies

Neutral changes:

Increased spending offset by income

1. £86,000 increase (subhead A1) offset by additional Appropriations in Aid of £86,000 (subhead A5)

To cover the International Outreach Project, funded by deferred income from 2004-05

2. As a result of these changes there is an increase in the net cash requirement of £1,858,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Giving the public confidence in the integrity of charity 1,660,000

Total additional net resource requirement 1,660,000

Additional net cash requirement 1,858,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Charity Commission

RfR 1: Giving the public confidence in the integrity of charity
Administration, capital expenditure and associated non-cash items.

The Charity Commission will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Giving the public confidence in the integrity of charity					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	30,493	1,746	86	1,660	32,153
Total RfR 1		1,746	86	1,660	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	1,399	205	1,604
Non-Operating A in A	-	-	-
Net cash requirement	30,474	1,858	32,332

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Giving the public confidence in the integrity of charity								
32,709	-	-	32,709	556	32,153	1,604	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
32,709		-	32,709	556	32,153	1,604	-	
Total for Estimate:								
32,709	-	-	32,709	556	32,153	1,604	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	30,493	1,660	32,153
Voted capital items			
Capital expenditure	1,399	205	1,604
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	1,399	205	1,604
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-	-88
Depreciation	-650	-500	-1,150
New provisions and adjustments to previous provisions	-500	407	-93
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-40	-	-40
Increase(-)/decrease (+) in creditors	-50	86	36
Use of provisions	<u>90</u>	<u>-</u>	<u>90</u>
Total accruals to cash adjustments	-1,418	-7	-1,425
Excess cash to be CFERd	-	-	-
Net cash requirement	30,474	1,858	32,332

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	32,153
Total Net Administration Costs	32,153
Net Programme Costs	
RfR 1	-
Total Net Programme costs	-
Total Net Operating Cost	32,153
<i>of which:</i>	
Net Resource Outturn	32,153
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	32,153

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	32,153
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	32,153
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	32,153
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	32,153
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	1,604
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	1,604
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,604
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

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

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Giving the public confidence in the integrity of charity		
Sales of copies of documents, etc.	20	-
Funds remitted by the Foreign and Commonwealth Office in respect of the Departments' joint International Outreach project	536	-
Total RfR 1	556 *	-
*Amount that may be applied as appropriations in aid in addition to the net total, arising from the sale of copies of documents, and amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project.		
Total A in A	556	-
<i>of which: Administration budgets</i>	<i>556</i>	<i>-</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	1,660	32,153	-	32,153
<i>of which : Administration Budget</i>	<i>1,660</i>	<i>32,153</i>	<i>-</i>	<i>32,153</i>
Capital	205	1,604	-	1,604
Depreciation*	-500	-1,150	-	-1,150
Total	1,365	32,607	-	32,607

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

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	£'000 556
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Department for Constitutional Affairs

Introduction

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

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

Increases:

Transfers from Other Government Departments

Transfers from other Government Departments totalling £27,545,000 resources and £3,480,000 capital as follows:

1. £215,000 resources from the Home Office in relation to support funding for Essex Local Criminal Justice Board (LCJB) (subhead C2)
Criminal Justice Information Technology (CJIT) ring fenced funding
2. £3,550,000 resources from the Home Office in relation to Criminal Justice Information Technology (CJIT) Criminal Justice Service (CJS) ring fence to provide additional funding for the Effective Trial Management Programme (ETMP) information technology programme (subhead A1)
3. £23,780,000 resources from the Home Office in relation to Criminal Justice Information Technology (CJIT) ring fenced funding (subhead A2)
4. £3,480,000 capital from the Home Office in relation to Criminal Justice Information Technology (CJIT) Criminal Justice Service (CJS) ring fence to provide additional funding for the Effective Trial Management Programme (ETMP) information technology programme (subhead A7)

Take up of End-Year Flexibility (EYF)

Take up of EYF of £27,864,000 resources (near cash) and £35,780,000 capital as follows:

1. £18,500,000 to subhead C7 (capital) in relation to Manchester Civil Justice Centre
2. £10,200,000 to subhead C7 (capital) in relation to Greater London Magistrates Court Authority capital receipts
3. £11,300,000 to subhead J3 in relation to Core Capital Grants to Local Authorities.
4. £48,000 to subhead F3 in relation to Invest to Save Budget (ISB) funding for the Live and Interactive Project - ISB Ref: 297 (o/w £34,000 capital)
5. £1,225,000 to subhead A1 (resources) in relation to Local Government Elections
6. £15,141,000 to subhead A1 (resources) in relation to Departmental underspend.
7. £150,000 to subhead A1 (resources) and £1,330,000 to subhead A7 (capital) in relation to Criminal Justice Information Technology (CJIT)
8. £5,580,000 to subhead A7 (capital) in relation to the Criminal Justice Reserve.
9. £170,000 to subhead A7 (capital) in relation to the Capital Modernisation Fund.

Decreases:

Transfers to Other Government Departments

Transfers to other government departments totalling £4,250,000 resource and £16,900,000 capital as follows:

1. £248,000 to the Crown Prosecution Service in relation to staff on secondment to Liverpool Community Justice Centre (subhead C1)
2. £150,000 to the Home Office in relation to Contribution to the Central Witness Bureau (subhead A1)
3. £16,900,000 to the Home Office in relation to Criminal Justice Information Technology (CJIT) funding (subhead A7)
4. £2,000,000 to the Home Office in relation to Local Criminal Justice Board (LCJB) funding (subhead A2)
5. £1,804,000 to Crown prosecution Service in relation to Effective Trial Management Programme (ETMP) Funding. (subhead A2)

Introduction

Machinery of Government Transfer

6. £48,000 to the Department for Culture, Media & Sports in relation to the Remembrance Sunday Ceremony (subhead A1)

Enforcement Improvement Pilot

1. £44,600,000 additional appropriations in aid (subhead C5) in relation to the Enforcement Improvement Pilot Scheme (the appropriation in aid of fine receipts in order to reinvest in the enforcement process).

Neutral Changes:

Increased expenditure offset by income

1. £82,156,000 resources to subhead C2 and C5 in relation to Her Majesty's Court Service fee recovery.
2. £27,384,000 resources to subhead C2 and C5 in relation to Enforcement Programme receipts
3. £549,000 resources to subhead A1 and A5 in relation to Official Solicitor & Public Trustee (OSPT) fees
4. £765,000 resources to subhead A1 and A5 in relation to income from Scotland Office secondees
5. £1,300,000 resources to subhead A1 and A5 in relation to Legal Service Complaints Commission (LSCC) receipts.
6. £128,000 resources to subhead A1 and A5 in relation to Data Protection Fees
7. £4,400,000 capital to subheads C7 and C8 in relation to the sale of fixed assets
8. A reduction of £1,289,000 in subhead D1, £975,000 in subhead D2 and £2,264,000 to subhead D5 in relation to internal re-allocation.

Transfers between sections within RfR1

1. £44,600,000 from subhead A2 to C2 in relation to the Enforcement Improvement Pilot scheme - The appropriation in aid of fine receipts in order to reinvest in the enforcement process.
2. £28,487,000 from subhead C2 to subhead A2 and £11,895,000 from C7 to A7 in relation to internal re-allocations
3. £11,000 from subhead B1 to A1 in relation to internal re-allocations
4. £380,000 from subhead D1 to A1 in relation to internal re-allocations
5. £10,600,000 from subhead C1 to A1 as part of the Departmental Reshape Programme in relation to Unified Administration Programme
6. £3,682,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to Family Policy
7. £4,167,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to Civil Policy
8. £3,375,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to Statistics Branch
9. £938,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to Finance Branch
10. £361,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to Image
11. £198,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to performance directorate
12. £6,777,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to Estates Branch
13. £294,000 from subhead A2 to C2 as part of the Departmental Reshape Programme in relation to Family Justice Council
14. £2,810,000 from subhead A2 to C2 in relation to Criminal Justice Act costs
15. £56,309,000 from subhead G3 to A2 in relation to a correction of CDS baseline funding
16. £17,020,000 from subhead A2 to H3 in relation to Single Asylum Fund (SAF)

Introduction

17. £2,000,000 from subhead A2 to C2 in relation to National Enforcement Service
18. £4,740,000 from subhead C1 to subhead A1 in relation to ARAMIS costs
19. £3,410,000 from subhead A1 to subhead C1 in relation to LIBRA funding
20. £2,000,000 from subhead A7 to subhead D7 in relation to Public Guardianship Office (PGO) capital funding.

21. £1,995,000 from subhead A7 to subhead F3 in relation to Legal Services Commission (LSC) capital expenditure.
22. £6,400,000 from subhead A2 to subhead F3 in relation to National Taxing Team (NTT) Service Level Agreement (SLA) charges.
23. £2,000,000 from subhead F3 to subhead A2 in relation to internal re-allocations.

RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the

Increases:

1. £59,000,000 increase in Grant payable to the Scottish Consolidated Fund (subhead E3)
2. As a result of these changes there is an increase in the net cash requirement of £87,919,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	†	8,554,000
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government		59,000,000
Total additional net resource requirement		67,554,000
Additional net cash requirement	†	87,919,000

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

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

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

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

administration; the Boundary Commission for Scotland; the Commission on Boundary Differences and Voting Systems in Scotland; payments of a grant to the Scottish Consolidated Fund; and associated non-cash items.

Part I (*continued*)

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

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

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

† The Cenotaph Ceremony function was transferred to the Department for Culture, Media and Sport on 1 April 2005. The changes relating to this machinery of government transfer are that the net resource (RfR1) and the net cash requirement are both reduced by £48,000.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Headquarters and Associated Offices	503,041	49,081	2,742	46,339	549,380
RfR 1 - B Judicial Pensions Administration	12	-11	-	-11	1
RfR 1 - C HM Courts Service	891,000	138,292	154,140	-15,848	875,152
RfR 1 - D Public Guardianship Office	3,205	-2,644	-2,264	-380	2,825
Non-budget					
RfR 1 - F Legal Services Commission: Administration	80,289	6,443	-	6,443	86,732
RfR 1 - G Criminal Defence Service	1,107,244	-56,309	-	-56,309	1,050,935
RfR 1 - H Community Legal Service	852,993	17,020	-	17,020	870,013
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - J Core Capital Grants to Local Authorities	-	11,300	-	11,300	11,300
Total RfR 1		163,172	154,618	8,554	
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government					
Non-budget					
RfR 2 - E Grant payable to the Scottish Consolidated Fund	20,876,903	59,000	-	59,000	20,935,903
Total RfR 2		59,000	-	59,000	
Total Changes to RfRs		222,172	154,618	67,554	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	128,247	24,765	153,012
Non-Operating A in A	-	4,400	4,400
Net cash requirement	34,871,116	87,919	34,959,035

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all								
444,295	1,539,354	2,024,054	4,007,703	511,366	3,496,337	152,146	4,400	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Headquarters and Associated Offices								
401,815	154,624	75	556,514	7,134	549,380	31,165	-	
B Judicial Pensions Administration								
401	-	-	401	400	1	-	-	
C HM Courts Service								
25,322	1,337,630	-	1,362,952	487,800	875,152	118,981	4,400	
D Public Guardianship Office								
16,757	2,100	-	18,857	16,032	2,825	2,000	-	
E Costs from Central Funds								
-	45,000	-	45,000	-	45,000	-	-	
<i>Court Service</i>								
-	-	-	-	-	-	-	-	
<i>HM Land Registry Invest to Save Budget</i>								
-	-	-	-	-	-	-	-	
Support for Local Authorities								
<i>Magistrates Courts Grants</i>								
-	-	-	-	-	-	-	-	
<i>Magistrates Courts Capital Grant</i>								
-	-	-	-	-	-	-	-	
<i>Magistrates Courts Grant on Loan Charges</i>								
-	-	-	-	-	-	-	-	
Non-budget								
F Legal Services Commission: Administration								
-	-	86,732	86,732	-	86,732	-	-	
G Criminal Defence Service								
-	-	1,050,935	1,050,935	-	1,050,935	-	-	
H Community Legal Service								
-	-	870,013	870,013	-	870,013	-	-	
I Information Commissioner's Office								
-	-	4,999	4,999	-	4,999	-	-	
Spending in Departmental Expenditure Limits (DEL)								
Support for Local Authorities								
J Core Capital Grants to Local Authorities								
-	-	11,300	11,300	-	11,300	-	-	

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government							
7,333	400	20,935,903	20,943,636	965	20,942,671	100	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Scotland Office							
4,959	-	-	4,959	170	4,789	100	-
B Office of the Advocate General							
2,374	-	-	2,374	795	1,579	-	-
C Boundary Commission for Scotland							
-	300	-	300	-	300	-	-
D Commission on Boundary Differences and Voting Systems in Scotland							
-	100	-	100	-	100	-	-
Non-budget							
E Grant payable to the Scottish Consolidated Fund							
-	-	20,935,903	20,935,903	-	20,935,903	-	-
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							
3,922	-	10,618,054	10,621,976	9	10,621,967	766	-
Spending in Annually Managed Expenditure (DEL)							
<i>Central Government spending</i>							
A Wales Office							
3,922	-	-	3,922	9	3,913	766	-
Non-budget							
B Grant payable to the National Assembly for Wales							
-	-	10,618,054	10,618,054	-	10,618,054	-	-
Total for Estimate:							
455,550	1,539,754	33,578,011	35,573,315	512,340	35,060,975	153,012	4,400

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	34,993,421	67,554	35,060,975
Voted capital items			
Capital expenditure	128,247	24,765	153,012
<i>Less: non-operating A in A</i>	<u>-</u>	<u>4,400</u>	<u>4,400</u>
Total net voted capital	128,247	20,365	148,612
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-153,829	-	-153,829
Depreciation	-117,072	-	-117,072
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-9	-	-9
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-1,642	-	-1,642
Use of provisions	<u>22,000</u>	<u>-</u>	<u>22,000</u>
Total accruals to cash adjustments	-250,552	-	-250,552
Excess cash to be CFERd	-	-	-
Net cash requirement	34,871,116	87,919	34,959,035

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	435,400
RfR 2	6,368
RfR 3	3,913
Total Net Administration Costs	445,681
Net Programme Costs	
RfR 1	3,060,937
RfR 2	20,936,303
RfR 3	10,618,054
Non voted expenditure	159,000
Total Net Programme costs	34,774,294
Total Net Operating Cost	35,219,975
<i>of which:</i>	
Net Resource Outturn	35,060,975
CFERs	-
Non-voted expenditure	159,000
Resource Budget Outturn	3,580,129

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	35,060,975
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	159,000
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	35,219,975
<i>Adjustments to remove:</i>	
capital grants to local authorities	-11,300
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-31,553,957
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-74,589
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	3,580,129
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	3,580,129
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	148,612
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	2,029
capital grants to local authorities	11,300
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	161,941
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	161,941
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Alex Allen, Permanent Head of Department
Request for Resources 2	Jim Wildgoose, Additional Accounting Officer and Head of Scotland Office
Request for Resources 3	Alan Cogbill, Additional Accounting Officer and Head of Wales Office

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

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

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all		
Administration income	8,895	-
Other current income	502,471	-
Sale of fixed assets	-	4,400
Total RfR 1	511,366 *	4,400 **
*Amount that may be applied as appropriations in aid in addition to the net total, arising from civil court fees; fees charged by the Public Trustee and the Court of Protection; recoveries from the National Investment and Loans Office for the cost of administering funds in court; recovery from the investment managers for the cost of administering the Commons Investment Schemes; recoveries for research and recommendation work undertaken by the Law Commission; recoveries by the Official Solicitor pursuant to his duties under the Supreme Court Act 1981 and Public Trustee Act 1906; fees charged by the Lands Tribunal, recoveries from the National Insurance Fund for the cost of Social Security Commissioners; fees from the Land Registry; receipts relating to the Land Registry Adjudicator; fees relating to the Office of the Information Commissioner; fees from nursery facilities and other fees; charges and receipts received; sale of publications; reimbursements from the ARAMIS PFI supplier of the costs of seconded staff and banking charges; receipts from rents; service charges and site usage; recovery for magistrates' courts accommodation; contributions paid by legally aided defendants in the higher courts; receipts of VAT refunds on contracted out services, judicial superannuation contributions, receipts from the European Commission; receipts from the Financial Services and Markets Tribunal; receipts under the New Deal Scheme; receipts from Wider Markets Initiatives; receipts from Royal Licences; receipts from the Judicial Pensions supply Estimate to fund administrative costs; recovery of costs from Twinning projects; recovery of costs relating to the Hunting Bill; receipts in relation to Enforcement Improvement schemes; receipts in relation to the devolution Service Level Agreement; receipts in relation to by-election funding; receipts in relation to the use of DDJs as prison adjudicators; receipts in relation to Legal Services Complaints Commission, receipts in relation to Scotland Office secondees, receipts in relation to Data Protection enquiries and income arising from Machinery of Government changes.		
** Amount that may be applied as non operating appropriations in aid arising from the disposal of land, buildings and surplus equipment.		
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government		
Rent receipts; payments for legal services	965	-
Total RfR 2	965 *	-
*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts in respect of rent, payments from other departments for legal services and other receipts.		
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales		
Rent receipts; payments for legal services	9	-
Total RfR 3	9 *	-
*Amount that may be applied as appropriations in aid in addition to the net total, arising from income from rent for use of accommodation in Gwydyr House by the National Assembly of Wales.		
Total A in A	512,340	4,400
<i>of which: Administration budgets</i>	<i>9,869</i>	<i>-</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	66,225	1,554,039	2,026,090	3,580,129
<i>of which : Administration Budget</i>	<i>18,331</i>	<i>445,681</i>	-	<i>445,681</i>
Capital	33,694	159,912	2,029	161,941
Depreciation*	-	-117,072	-832	-117,904
Total	99,919	1,596,879	2,027,287	3,624,166

*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
516,740

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

Northern Ireland Court Service

Introduction

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

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

Increases:

Take up of End Year Flexibility

1. Take up of resource end year flexibility of £12,824,000 (near cash) comprising £824,000 (section A)

For expenditure on the Integrated Courts Operating System (£655,000) and implementation costs of the Northern Ireland Judicial Appointments Commission (£169,000).

£12,000,000 (section B)

Additional expenditure on publicly funded legal services by the Northern Ireland Legal Services Commission

2. £81,000 (near cash)

Subhead C3

An increase in grant in aid (non budget) to the Northern Ireland Judicial Appointments Commission. The additional expenditure of the Commission is being covered by the take-up of DEL EYF.

Neutral Changes:

Increased spending offset by income

1. £4,558,000

Subheads A2 and A5

Increased income to offset a corresponding amount of "other current" expenditure on judicial salaries, non cash costs and lay magistrates fees.

2. £750,000

Subheads A2 and A5

Increased income to offset project costs incurred by the Northern Ireland Court Service and Northern Ireland Office in respect of the safety camera netting off scheme

2. As a result of these changes there is an increase in the net cash requirement of £12,905,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	12,905,000
Total additional net resource requirement	12,905,000
Additional net cash requirement	12,905,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Northern Ireland Court Service on:

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

Operation of the courts; policy and legislation; accommodation services; grants to sundry bodies and associated non cash items, grant of funding for the provision of publicly funded legal services, grant in aid to support the administration of the Northern Ireland Legal Services Commission, grant in aid to support the administration of the Northern Ireland Judicial Appointments Commission and set up costs associated with the XVII World Congress of the International Association of Youth and Family Judges and Magistrates.

The Northern Ireland Court Service will account for this Estimate.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Court and other legal services	53,632	6,132	5,308	824	54,456
Non-budget					
RfR 1 - B Legal Services Commission	41,868	12,000	-	12,000	53,868
RfR 1 - C Judicial Appointments Commission	1,249	81	-	81	1,330
Total RfR 1		18,213	5,308	12,905	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	6,000	-	6,000
Non-Operating A in A	-	-	-
Net cash requirement	91,574	12,905	104,479

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland								
21,256	49,425	55,223	125,904	16,250	109,654	6,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Court and other legal services								
21,256	49,425	25	70,706	16,250	54,456	6,000	-	
<i>Publicly funded legal services</i>								
-	-	-	-	-	-	-	-	-
Non-budget								
B Legal Services Commission								
-	-	53,868	53,868	-	53,868	-	-	
C Judicial Appointments Commission								
-	-	1,330	1,330	-	1,330	-	-	
Total for Estimate:								
21,256	49,425	55,223	125,904	16,250	109,654	6,000	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	96,749	12,905	109,654
Voted capital items			
Capital expenditure	6,000	-	6,000
<i>Less:</i> 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	-5,075	-	-5,075
Depreciation	-6,100	-	-6,100
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	-11,175	-	-11,175
Excess cash to be CFERd	-	-	-
Net cash requirement	91,574	12,905	104,479

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
Net Administration Costs		
RfR 1	5,006	
	<hr/>	
Total Net Administration Costs		5,006
Net Programme Costs		
RfR 1	104,648	
Net non-voted programme costs	5,166	
	<hr/>	
Total Net Programme costs		109,814
Total Net Operating Cost		114,820
<i>of which:</i>		
Net Resource Outturn		109,654
CFERs		-
Non-voted expenditure		5,166
Resource Budget Outturn		123,244
<hr/>		

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	109,654
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	5,166
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	114,820
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	8,424
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	123,244
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	123,244
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	6,000
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	6,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	David A Lavery, Principal Accounting Officer and Director of the Northern Ireland Court Service
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David A Lavery, as the Principal Accounting Officer (PAO) of the Northern Ireland Court Service has personal responsibility for the proper presentation of the Northern Ireland Court Service's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Northern Ireland Court Service.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland		
Income from fees	15,950	-
Miscellaneous income	300	-
Disposal of land	-	-
Total RfR 1	16,250 *	-
<p>*Amount that may be applied as appropriations in aid in addition to the net total arising from court fees paid by litigants in civil proceedings, fine monies arising from the payment of certain conditional offer fixed penalty notices to cover project costs incurred by the Northern Ireland Court Service and Northern Ireland Office, administration fees paid in respect of funds in court, monies recovered in respect of third party claims, recoveries from the National Insurance Fund for the costs of the Office of the Social Security and Child Support Commissioners and other fees and receipts received.</p>		
Total A in A	16,250	-
<i>of which: Administration budgets</i>	<i>16,250</i>	<i>-</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	12,905	54,456	68,788	123,244
<i>of which : Administration Budget</i>	<i>-4,484</i>	<i>5,006</i>	<i>-</i>	<i>5,006</i>
Capital	-	6,000	-	6,000
Depreciation*	-	-6,100	-20	-6,120
Total	12,905	54,356	68,768	123,124

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

Cash which may be retained to offset expenditure

£'000

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

16,250

The Crown Prosecution Service

Introduction

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

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

Increases:

Transfers from non-voted Departmental Unallocated Provision (DUP)

1. Programme expenditure

£7,000,000

Subhead B2

To utilise £7,000,000 from the departmental unallocated provision to increase expenditure on the prosecution of criminal cases

Transfers from other government departments

1. Transfers from the Home Office, totalling £35,255,000 resources. This is comprised of:
- Subhead B2
- (i) £14,000,000 programme to provide additional resources to fund the Charging Programme
 - (ii) £1,229,000 programme to fund network of anti-social behaviour expert prosecutors and to develop and support joint working to tackle anti social behaviour
 - (iii) £9,100,000 programme to support joint delivery of Government targets for recovering Proceeds of Crime
 - (iv) £287,000 programme from the RAIF to fund CPS resources in Regional Asset Recovery Teams
 - (v) £1,487,000 programme to provide support to the Local Criminal Justice Boards
 - (vi) £350,000 programme from Criminal Justice Information Technology of the Office of Criminal Justice Reform to provide additional resources for the Compass case management system information technology programme
 - (vii) £8,350,000 programme to provide additional resources for the Compass case management system information technology programme
 - (viii) £452,000 programme to fund the development of Exchange Integration Service Stream Release 1 (EXISS) R1), an initiative to improve the integration of Criminal Justice IT systems
2. Transfers from the Department for Constitutional Affairs, totalling £2,052,000 resources. This is comprised of:
- Subhead B2
- (i) £1,804,000 programme to support the Effective Trial Management Programme
 - (ii) £248,000 programme to help fund the Community Justice Centre in Liverpool

Decreases:

Transfers to other government departments

1. Transfers to the Home Office, totalling £3,482,000 resources. This is comprised of:
- Subhead B2
- (i) £3,332,000 programme to cover grants given to Police Forces to support "No Witness No Justice" partnership programme to improve services to prosecution witnesses in criminal cases
 - (ii) £150,000 programme for Central Witness Bureau development costs

Neutral Changes

Transfers between sections within the RfR

£397,587,000

From subhead A2 to subhead B2

To reflect the department's expenditure on front line activity.

Introduction (*continued*)

Increased spending offset by income

£450,000

Subheads A1 and A5

Increase in resources offset by a corresponding increase in appropriations in aid relating to income from Local Criminal Justice Boards and other secondments

2. As a result of these changes there is an increase in the net cash requirement of £40,825,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions	40,825,000
Total additional net resource requirement	40,825,000
Additional net cash requirement	40,825,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Crown Prosecution Service on:

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

Administrative costs, including the hire of private agents; Crown Prosecution Services; the support of voluntary sector organisations working within the Criminal Justice System; in connection with the confiscation of the proceeds of crime; and associated non-cash items.

The Crown Prosecution Service will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Administration costs on HQ and Central Services	455,540	-397,137	450	-397,587	57,953
RfR 1 - B	Crown Prosecutions and Legal Services	103,104	438,412	-	438,412	541,516
Total RfR 1			41,275	450	40,825	

£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	7,400	-	7,400
Non-Operating A in A	-	-	-
Net cash requirement	558,687	40,825	599,512

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions								
59,153	572,466	-	631,619	32,150	599,469	7,400	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration costs on HQ and Central Services								
59,153	-	-	59,153	1,200	57,953	7,400	-	
B Crown Prosecutions and Legal Services								
-	572,466	-	572,466	30,950	541,516	-	-	
Total for Estimate:								
59,153	572,466	-	631,619	32,150	599,469	7,400	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	558,644	40,825	599,469
Voted capital items			
Capital expenditure	7,400	-	7,400
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	7,400	-	7,400
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,647	-	-2,647
Depreciation	-5,056	-	-5,056
New provisions and adjustments to previous provisions	-745	-	-745
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-82	-	-82
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-500	-	-500
Use of provisions	1,673	-	1,673
Total accruals to cash adjustments	-7,357	-	-7,357
Excess cash to be CFERd	-	-	-
Net cash requirement	558,687	40,825	599,512

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	57,953	
Total Net Administration Costs		57,953
Net Programme Costs		
RfR 1	541,516	
Total Net Programme costs		541,516
Total Net Operating Cost		599,469
<i>of which:</i>		
Net Resource Outturn		599,469
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		599,469

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	599,469
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	599,469
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	599,469
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	599,469
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	7,400
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	7,400
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,400
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

Ken MacDonald QC, as the Principal Accounting Officer (PAO) of the Crown Prosecution Service has personal responsibility for the proper presentation of the Crown Prosecution Service's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Crown Prosecution Service.

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

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

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
RfR 1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions		
Income from rent in jointly occupied buildings;	2,850	-
Local Criminal Justice Boards (LCJBs) and other secondments; and Access to Work	-	-
Costs awarded to CPS in court	29,300	-
Costs awarded to CPS by recovered assets fund	-	-
Total RfR 1	32,150 *	-
*Amount that may be applied as appropriations in aid in addition to the net total, arising from charges for the sale of copies of documents; sale of publications and other items and services; professional fees; sale of fixed assets and grants received to carry out specific projects.		
Total A in A	32,150	-
<i>of which: Administration budgets</i>	<i>1,200</i>	-

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	33,825	599,469	-	599,469
<i>of which : Administration Budget</i>	-	57,953	-	57,953
Capital	-	7,400	-	7,400
Depreciation*	-	-5,056	-	-5,056
Total	33,825	601,813	-	601,813

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	28,650

Serious Fraud Office

Introduction

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

RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law

Increases

Other increases

1. DEL Reserve claim of £8,600,000 resources.
 - i. £2,200,000
Subhead A1
Extra administration costs spending for additional large cases
 - ii. £6,400,000
Subhead B2
Extra other current spending for additional large cases
2. As a result of these changes there is an increase in the net cash requirement of £8,400,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	8,600,000
Total additional net resource requirement	8,600,000
Additional net cash requirement	8,400,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 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					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	25,175	2,200	-	2,200	27,375
RfR 1 - B Investigations and Prosecutions	10,600	6,400	-	6,400	17,000
Total RfR 1		8,600	-	8,600	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	3,500	-	3,500
Non-Operating A in A	-	-	-
Net cash requirement	39,431	8,400	47,831

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law								
27,175	17,250	-	44,425	50	44,375	3,500	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
27,175	200	-	27,375	-	27,375	3,500	-	
B Investigations and Prosecutions								
-	17,050	-	17,050	50	17,000	-	-	
Total for Estimate:								
27,175	17,250	-	44,425	50	44,375	3,500	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	35,775	8,600	44,375
Voted capital items			
Capital expenditure	3,500	-	3,500
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	3,500	-	3,500
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-79	-	-79
Depreciation	-1,600	-	-1,600
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-	-65
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	930	-	930
Increase(-)/decrease (+) in creditors	930	-200	730
Use of provisions	<u>40</u>	<u>-</u>	<u>40</u>
Total accruals to cash adjustments	156	-200	-44
Excess cash to be CFERd	-	-	-
Net cash requirement	39,431	8,400	47,831

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	<u>27,175</u>
Total Net Administration Costs	27,175
Net Programme Costs	
RfR 1	<u>17,200</u>
Total Net Programme costs	17,200
Total Net Operating Cost	44,375
<i>of which:</i>	
Net Resource Outturn	44,375
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	44,375

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	44,375
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	44,375
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	44,375
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	44,375
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	3,500
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	3,500
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,500
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Robert Wardle, Director of the Serious Fraud Office

Robert Wardle, as the Principal Accounting Officer (PAO) of the Serious Fraud Office has personal responsibility for the proper presentation of the Serious Fraud Office's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Serious Fraud Office.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law		
Income received from award of legal costs	50	-
Total RfR 1	50 *	-
*Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income arising from costs awarded to the SFO in court.		
Total A in A	50	-
<i>of which: Administration budgets</i>	-	-

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	8,600	44,375	-	44,375
<i>of which : Administration Budget</i>	<i>2,200</i>	<i>27,175</i>	<i>-</i>	<i>27,175</i>
Capital	-	3,500	-	3,500
Depreciation*	-	-1,600	-	-1,600
Total	8,600	46,275	-	46,275

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

Cash which may be retained to offset expenditure

£'000

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

50

Revenue and Customs Prosecutions Office

Introduction

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

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors

Increases:

Transfers from other government departments

1. Machinery of government transfer from HM Revenue and Customs to RfR1 totalling £2,330,000 (£2,280,000 resources and £50,000 capital), comprising:

(i) £2,211,000 net administration resource (subhead A1) and £69,000 net resource (subhead A2)

To meet residual baseline funding requirements in respect of the prosecution activities transferred to the new Department upon its creation. £147,000 of this sum is non-cash resource, to depreciate assets transferred with the function.

(ii) £50,000 Capital (subhead A7)

To cover need for additional furniture, fixtures and fittings to meet security requirements identified in the Gower Hammond Review.

Neutral changes:

Increased spending offset by income

1. £20,000 resources (subhead A2) offset by a corresponding increase in appropriations-in-aid (subhead A5) received in the course of business by the Asset Forfeiture Unit.
2. £37,000 resources (subhead A2) offset by a corresponding increase in appropriations in aid (subhead A5). Machinery of government transfer from HM Revenue and Customs to meet residual baseline funding arrangements.

2. As a result of these changes there is an increase in the net cash requirement of £2,183,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	†	2,280,000
Total additional net resource requirement		2,280,000
Additional net cash requirement	†	2,183,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Revenue and Customs Prosecutions Office on:

RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors administration and legal costs of prosecuting cases and recovering monies from proceeds of crime by the Revenue and Customs Prosecutions Office including such costs arising from international mutual assistance, and associated non-cash items.

The **Revenue and Customs Prosecutions Office** will account for this Estimate.

† The Revenue and Customs Prosecution Office (RCPO) was created in April 2005, together with HM Revenue and Customs. Together they replaced HM Customs and Excise and the Inland Revenue. Further changes relating to this machinery of government transfer are (i) the net resource requirement (RfR1) is increased by £2,280,000 and operating appropriations in aid are increased by £37,000; (ii) the net cash requirement is increased by £2,183,000.

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	35,605	2,337	57	2,280	37,885
Total RfR 1		2,337	57	2,280	
Total Changes to RfRs		2,337	57	2,280	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	-	50	50
Non-Operating A in A	-	-	-
Net cash requirement	35,605	2,183	37,788

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors								
19,413	18,531	-	37,944	59	37,885	50	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
19,413	18,531	-	37,944	59	37,885	50	-	
Total for Estimate:								
19,413	18,531	-	37,944	59	37,885	50	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	35,605	2,280	37,885
Voted capital items			
Capital expenditure	-	50	50
<i>Less: non-operating A in A</i>	-	-	-
Total net voted capital	-	50	50
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-147	-147
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	-	-147	-147
Excess cash to be CFERd	-	-	-
Net cash requirement	35,605	2,183	37,788

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	19,412	
Total Net Administration Costs		19,412
Net Programme Costs		
RfR 1	18,473	
Total Net Programme costs		18,473
Total Net Operating Cost		37,885
<i>of which:</i>		
Net Resource Outturn		37,885
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		37,885

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	37,885
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	37,885
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	37,885
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	37,885
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	50
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	50
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	50
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 David Green QC, Accounting Officer

David Green QC, as the Principal Accounting Officer (PAO) of the Revenue and Customs Prosecutions Office has personal responsibility for the proper presentation of the Revenue and Customs Prosecutions Office's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for any assigned RfR, remains in general overall charge of the Revenue and Customs Prosecutions Office.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors		
Charges for financial investigators courses	59	-
Total RfR 1	59 *	-
*Amount that may be appropriated in aid in addition to the net total arising from income from the recovery of court costs; for providing additional defence papers; administration of counsel fees to third parties; providing legal training.		
Total A in A	59	-
<i>of which: Administration budgets</i>	<i>1</i>	<i>-</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, Revenue and Customs Prosecutions Office's Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	2,280	37,885	-	37,885
<i>of which : Administration Budget</i>	2,211	19,412	-	19,412
Capital	50	50	-	50
Depreciation*	-147	-147	-	-147
Total	2,183	37,788	-	37,788

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

Cash which may be retained to offset expenditure

£'000

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

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Ministry of Defence

Introduction

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

RfR 1: Provision of defence capability

Increases:

Take up of End Year Flexibility

1. To take up end year flexibility of £28,281,000 Capital to cover capital spending delayed from 04/05 (Section J).
2. To take up end year flexibility totalling £ 71,719,000 Resource, of which £ 36,000,000 relates to the ring-fenced Defence Modernisation Fund (Section J).

Transfers in from other government departments

1. To effect Resource transfers in from the following governments as contributions to the National Meteorological Programme and Severe Weather Warning Service (Section J):

Department for Environment, Food and Rural Affairs	£ 4,745,000
Department for Transport	£ 3,808,000

2. To effect a Resource transfer in of £ 145,000 from the Department for Work and Pensions as a contribution to the Veterans Agency postage costs (Section J)

Transfers out to other government departments

1. To effect a Resource transfer out of £ 93,000 from MOD to the Department for Culture, Media and Sport as a contribution to the Leeds Armouries Museum Pattern Room staffing costs (Section L)

Neutral Changes:

Increased spending offset by income:

Appropriations in Aid

1. To recognise an increase in Appropriations in Aid of £ 45,886,000 Capital, relating to the repayment of a MOD loan from QinetiQ (Section J).

Internal Transfers:

1. To effect a transfer from CDEL to RDEL of £ 370,000,000. (Sections A,B,C,D,E,F,G,H,I,J,K,L,M).
2. To increase the cash requirement by £ 350,000,000 with no impact on resources.

Introduction (*continued*)

Transfers within the RfR

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

RfR 2: Conflict prevention

Increases:

Transfers in from other government departments

1. To effect a transfer in of £500,000 Resource from the Department for International Development in respect of the Global Conflict Prevention Pool for RfR2 Sub Sahara Africa Programme costs. (Section A).
2. As a result of these changes there is an increase in the net cash requirement of £ 459,105,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Provision of defence capability	450,324,000
RfR 2: Conflict prevention	500,000
Total additional net resource requirement	450,824,000
Additional net cash requirement	459,105,000

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

RfR 1: Provision of defence capability

Personnel costs of the Armed Forces and their cadet forces and personnel costs of Defence Ministers and of civilian staff employed by the Ministry of Defence; movements; charter of ships; logistic services for the Armed Forces; repair, maintenance, stores and supply services; associated capital facilities and works; contractors' redundancy cost; plant and machinery; nuclear warhead and fissile material programme; procurement, including research etc. by contract; sundry procurement services including those on repayment terms; land and buildings works grants and other payments including those abroad such as assistance to Foreign and Commonwealth Governments for defence related purposes and UK youth community projects; set-up costs and loans to, and income from, Trading Funds; and other associated non-cash items.

RfR 2: Conflict prevention

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking, peacekeeping and peacebuilding activity and on associated strengthening of international and regional systems and capacity; and other associated non-cash items.

RfR 3: War Pensions and Allowances, etc.

Pensions and other payments/allowance for disablement or death arising out of war service in the Armed Forces after 2 September 1939, awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern Prisoners of War) or their surviving spouse and pensions and other payments in respect of service in the Armed Forces at other times; and other associated non-cash items

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

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Provision of defence capability					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Commander-in-Chief Fleet	3,523,994	42,481	-	42,481	3,566,475
RfR 1 - B General Officer Commanding (Northern Ireland)	609,487	-54,520	-	-54,520	554,967
RfR 1 - C Commander-in-Chief Land Command	5,620,440	-26,609	-	-26,609	5,593,831
RfR 1 - D Commander-in-Chief Strike Command	3,672,124	161,610	-	161,610	3,833,734
RfR 1 - E Chief of Joint Operations	544,588	-36,221	-	-36,221	508,367
RfR 1 - F Chief of Defence Logistics	7,570,043	72,299	-	72,299	7,642,342
RfR 1 - G 2nd Sea Lord/Commander-in-Chief Naval Home Command	728,473	16,670	-	16,670	745,143
RfR 1 - H Adjutant General (Personnel and Training Command)	1,740,754	18,041	-	18,041	1,758,795
RfR 1 - I Commander-in-Chief Personnel and Training Command	911,004	19,251	-	19,251	930,255
RfR 1 - J Central	2,316,403	103,179	-	103,179	2,419,582
RfR 1 - K Defence Estates	974,410	51,034	-	51,034	1,025,444
RfR 1 - L Defence Procurement Agency	2,463,231	84,964	-	84,964	2,548,195
RfR 1 - M Corporate Science and Technology	503,943	-1,855	-	-1,855	502,088
Total RfR 1		450,324	-	450,324	
RfR 2: Conflict prevention					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A Programme Sub-Saharan Africa	30,020	500	-	500	30,520
Total RfR 2		500	-	500	
Total Changes to RfRs		450,824	-	450,824	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	7,396,554	-295,833	7,100,721
Non-Operating A in A	533,298	45,886	579,184
Net cash requirement	29,153,073	459,105	29,612,178

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Provision of defence capability								
-	35,067,270	217,494	35,284,764	1,336,570	33,948,194	7,100,721	579,184	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Commander-in-Chief Fleet								
-	3,583,301	-	3,583,301	16,826	3,566,475	5,125	10	
B General Officer Commanding (Northern Ireland)								
-	556,098	-	556,098	1,131	554,967	25,562	650	
C Commander-in-Chief Land Command								
-	5,789,957	84	5,790,041	196,210	5,593,831	84,485	-	
D Commander-in-Chief Strike Command								
-	3,861,397	-	3,861,397	27,663	3,833,734	26,746	-	
E Chief of Joint Operations								
-	535,578	15	535,593	27,226	508,367	27,027	610	
F Chief of Defence Logistics								
-	7,947,039	863	7,947,902	305,560	7,642,342	1,106,342	9,724	
G 2nd Sea Lord/Commander-in-Chief Naval Home Command								
-	777,289	7,814	785,103	39,960	745,143	18,213	-	
H Adjutant General (Personnel and Training Command)								
-	1,790,925	6,442	1,797,367	38,572	1,758,795	20,847	-	
I Commander-in-Chief Personnel and Training Command								
-	1,081,191	7,726	1,088,917	158,662	930,255	25,198	114	
J Central								
-	2,524,593	181,866	2,706,459	286,877	2,419,582	161,240	45,886	
K Defence Estates								
-	1,256,620	-	1,256,620	231,176	1,025,444	633,734	498,892	
L Defence Procurement Agency								
-	2,554,902	-	2,554,902	6,707	2,548,195	4,966,202	-	
M Corporate Science and Technology								
-	499,175	2,913	502,088	-	502,088	-	-	
N Loans and Grants to and repayments from the Hydrographic Office								
-	-	-	-	-	-	-	303	
O Loans and Grants to and Repayments from DARA								
-	-	-	-	-	-	-	4,840	
P Loans and Grants to and Repayments from ABRO								
-	-	-	-	-	-	-	2,155	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
Q Commander-in-Chief Fleet								
-	34,154	-	34,154	-	34,154	-	-	
R Chief of Defence Logistics								
-	27,577	-	27,577	-	27,577	-	-	
S Chief of Joint Operations								
-	-4,000	-	-4,000	-	-4,000	-	-	
T Central								
-	4,152	-	4,152	-	4,152	-	-	
U Defence Procurement Agency								
-	175,381	-	175,381	-	175,381	-	-	
V Loans and Grants to and Repyments from QinetiQ								
-	-	-	-	-	-	-	16,000	

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Non-budget								
W	Adjutant General (Personnel and Training Command)							
-	1,416	9,207	10,623	-	10,623	-	-	
X	Commander-in-Chief Personnel and Training Command							
-	212	-	212	-	212	-	-	
Y	Central							
-	17,488	564	18,052	-	18,052	-	-	
Z	Chief of Defence Logistics							
-	169,038	-	169,038	-	169,038	-	-	
AA	Commander-in-Chief Land Command							
-	5,267	-	5,267	-	5,267	-	-	
AB	Chief of Joint Operations							
-	1,212	-	1,212	-	1,212	-	-	
AC	Commander-in-Chief Fleet							
-	39,072	-	39,072	-	39,072	-	-	
AD	Commander-in-Chief Strike Command							
-	612	-	612	-	612	-	-	
AE	Defence Procurement Agency							
-	1,829,585	-	1,829,585	-	1,829,585	-	-	
AF	General Officer Commanding (Northern Ireland)							
-	338	-	338	-	338	-	-	
AG	2nd Sea Lord/Commander-in-Chief Naval Home Command							
-	297	-	297	-	297	-	-	
AH	Defence Estates							
-	7,404	-	7,404	-	7,404	-	-	
RfR 2: Conflict prevention								
-	45,540	-	45,540	-	45,540	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Programme Sub-Saharan Africa							
-	30,520	-	30,520	-	30,520	-	-	
B	Programme Rest of the World							
-	15,020	-	15,020	-	15,020	-	-	
RfR 3: War Pensions and Allowances, etc.								
-	-	1,068,972	1,068,972	-	1,068,972	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	War Pensions Benefits Programme costs							
-	-	1,064,466	1,064,466	-	1,064,466	-	-	
B	War Pensions Benefits Programme costs - Far Eastern Prisoners of War							
-	-	4,500	4,500	-	4,500	-	-	
C	War Pensions Benefits Programme costs - British Limbless Ex-Servicemen's Association (BLESMA)							
-	-	6	6	-	6	-	-	
Total for Estimate:								
-	35,112,810	1,286,466	36,399,276	1,336,570	35,062,706	7,100,721	579,184	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	34,611,882	450,824	35,062,706
Voted capital items			
Capital expenditure	7,396,554	-295,833	7,100,721
<i>Less: non-operating A in A</i>	<u>533,298</u>	<u>45,886</u>	<u>579,184</u>
Total net voted capital	6,863,256	-341,719	6,521,537
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,634,067	350,000	-2,284,067
Depreciation	-7,556,000	-	-7,556,000
New provisions and adjustments to previous provisions	-2,754,874	-	-2,754,874
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	101,322	-	101,322
Increase(+)/decrease (-) in debtors	3,243	-	3,243
Increase(-)/decrease (+) in creditors	-79,777	-	-79,777
Use of provisions	<u>598,088</u>	<u>-</u>	<u>598,088</u>
Total accruals to cash adjustments	-12,322,065	350,000	-11,972,065
Excess cash to be CFERd	-	-	-
Net cash requirement	29,153,073	459,105	29,612,178

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	-
RfR 2	-
RfR 3	-
Total Net Administration Costs	-
Net Programme Costs	
RfR 1	33,948,194
RfR 2	45,540
RfR 3	1,068,972
Total Net Programme costs	35,062,706
Total Net Operating Cost	35,062,706
<i>of which:</i>	
Net Resource Outturn	35,062,706
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	33,890,698

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	35,062,706
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	35,062,706
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-2,072,505
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	15,497
unallocated resource provision	885,000
Other adjustments	-
Resource Budget Outturn (Budget)	33,890,698
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	32,956,550
Annually Managed Expenditure (AME)	934,148

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	6,521,537
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non-departmental public bodies	744
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	6,522,281
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,538,281
Annually Managed Expenditure (AME)	-16,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sir Kevin Tebbit, Principal Accounting Officer and permanent head of department
Request for Resources 2	Sir Kevin Tebbit, Principal Accounting Officer and permanent head of department
Request for Resources 3	Sir Kevin Tebbit, Principal Accounting Officer and permanent head of department

Sir Kevin Tebbit as the Principal Accounting Officer (PAO) of the Ministry of Defence has personal responsibility for the proper presentation of the Ministry of Defence's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for an assigned RfRs, remains in general overall charge of the Ministry of Defence.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Provision of defence capability		
Income from supplies and services	992,953	-
Loan and rental income	257,107	-
Interest received	4,789	-
Trading fund dividend	12,053	-
Other income	69,668	-
Income from the sale of fixed assets	-	510,000
Loan repayments from trading funds	-	69,184
Total RfR 1	1,336,570 *	579,184 **
* Amount that may be applied as appropriations in aid in addition to the net total, arising from: the recovery of income from fees and income charges.		
** Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets, including land and buildings and repayment of loans from the Trading Funds.		
Total A in A	1,336,570	579,184
<i>of which: Administration budgets</i>	-	-

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	450,824	31,674,758	1,281,792	32,956,550
<i>of which : Administration Budget</i>	-	-	-	-
Capital	-341,719	6,537,537	744	6,538,281
Depreciation*	-	-7,556,000	-885,000	-8,441,000
Total	109,105	30,656,295	397,536	31,053,831

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

Cash which may be retained to offset expenditure

£'000
1,915,754

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

Expenditure resting on the sole authority of the Appropriation Act

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

Subhead	Service		£'000
RfR1			
G:	Royal Navy and Royal Marine Sports Control Board	■	117
H:	Army Sports Control Board	■	404
I:	RAF Sports Control Board	■	83
J:	The Royal British Legion	■	308
J:	Skill force - Scotland/Wales	■	300
J:	The Scott Polar Institute	■	35
RfR3			
C:	Awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern prisoners of war) or their surviving spouse	■	4500

Armed Forces Retired Pay, Pensions, etc.

Introduction

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

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

Increases:

1. Revised AME forecast: to provide an additional £13,090,000 in respect of the interest on scheme liabilities due to the change in the discount rate and subsequent increase to the opening balance of the pension scheme liability. The increase resulted from a revised Government Actuarial Department (GAD) assessment. (RfR 1 - A).
 2. Revised Non-Budget forecast: to provide an additional £69,927,000 in respect of the change in the discount rate and the increase to the opening balance of the pension scheme liability. The increase resulted from a revised Government Actuarial Department (GAD) assessment. (RfR1 -B).
 3. An additional cash requirement of £ 293,698,000 resulting from higher than budgeted creditor repayments.
2. As a result of these changes there is an increase in the net cash requirement of £ 293,698,000 .
 3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Armed Forces retired pay, pensions, etc.	83,017,000
Total additional net resource requirement	83,017,000
Additional net cash requirement	293,698,000

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

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

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

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

Part II: Changes proposed

						£'000
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Armed Forces retired pay, pensions, etc.						
Spending in Annually Managed Expenditure (AME)						
RfR 1 - A	Retired pay, pensions and other payments to service personnel and their dependants	4,445,454	13,090	-	13,090	4,458,544
Non-budget						
RfR 1 - B	Retired pay, pensions and other payments to service personnel and their dependants	9,930,073	69,927	-	69,927	10,000,000
Total RfR 1			83,017	-	83,017	

		£000		
		Present Provision	Change in Provision	New Provision
Capital and Cash				
Total Capital Expenditure		-	-	-
Non-Operating A in A		-	-	-
Net cash requirement		1,429,522	293,698	1,723,220

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Armed Forces retired pay, pensions, etc.								
-	15,788,782	-	15,788,782	1,330,238	14,458,544	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Retired pay, pensions and other payments to service personnel and their dependants								
-	5,788,782	-	5,788,782	1,330,238	4,458,544	-	-	
Non-budget								
B Retired pay, pensions and other payments to service personnel and their dependants								
-	10,000,000	-	10,000,000	-	10,000,000	-	-	
Total for Estimate:								
-	15,788,782	-	15,788,782	1,330,238	14,458,544	-	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000 <u>Revised</u>
Net total Resources	14,375,527	83,017	14,458,544
Voted capital items			
Capital expenditure	-	-	-
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-15,648,093	-140,689	-15,788,782
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-261	619	358
Increase(-)/decrease (+) in creditors	-157,964	315,546	157,582
Use of provisions	2,860,313	35,205	2,895,518
Total accruals to cash adjustments	-12,946,005	210,681	-12,735,324
Excess cash to be CFERd	-	-	-
Net cash requirement	1,429,522	293,698	1,723,220

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Combined Revenue Account

	£'000
	2005-06 provision
Income	
Contributions received	1,324,224
Transfers in	5,638
Other income receivable	376
Total Net Administration Costs	1,330,238
Expenditure	
Increase in liability	1,713,801
Interest on scheme liability	4,074,981
Other expenditure	-
Change in discount rate	10,000,000
Total Net Programme costs	15,788,782
Total Net Operating Cost	14,458,544
<i>of which:</i>	
Net Resource Outturn	14,458,544
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	4,458,544

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	14,458,544
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	14,458,544
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-10,000,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	4,458,544
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	4,458,544

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sir Kevin Tebbit, permanent head of the Ministry of Defence

Sir Kevin Tebbit, as the Principal Accounting Officer (PAO) of the Ministry of Defence has personal responsibility for the proper presentation of the Armed Forces Retired Pay, Pensions, etc. resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for an assigned RfR, remains in general overall charge of the Ministry of Defence.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Armed Forces retired pay, pensions, etc.		
Contributions receivable	1,324,224	-
Transfers In	5,638	-
Other income	376	-
Total RfR 1	1,330,238 *	-
<i>of which: Administration budgets</i>		-

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

Notes to the Estimate (*continued*)**Cash which may be retained to offset expenditure****£'000**

1,330,238

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

Foreign and Commonwealth Office

Introduction

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

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

Increases:

Transfers from OGDs

1. PES Transfer from Home Office
£1,000,000
Section A2
Funding of Afghan Delivery Plan
2. PES Transfer from DFiD
£7,985,000
Section A3
Transfer of Small Grants Scheme to FCO

Decreases:

Transfers to other government departments

1. PES Transfer to SIA
£1,400,000
Section A1
Language Training
2. PES Transfer to SIA
£3,588,000
Section A2
Funding revisions in Planned Programme Activity

Neutral Changes:

Increased Spending offset by income

1. £1,400,000
Sections A1 and A5
Increase in OGD receipts for Language Training

RfR 2: Conflict prevention

Increases:

Transfers from other government departments

1. PES Transfer from DfID
£150,000
Section B3
Transfer of funding for Caucasus Conflict Prevention projects

Introduction (*continued*)

2. PES Transfer from DfID
£12,000,000
Section C3
Transfer of funding for Africa Peacekeeping Activity

Decreases:

1. PES Transfer to SIA
£100,000
Section A3
Funding revisions in conflict prevention activity
2. As a result of these changes there is an increase in the net cash requirement of £16,047,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	3,997,000
RfR 2: Conflict prevention	12,050,000
Total additional net resource requirement	16,047,000
Additional net cash requirement	16,047,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Foreign and Commonwealth Office on:

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

Expenditure by the Foreign and Commonwealth Office including UK Trade and Investment, on its administration, Wilton Park Executive Agency, hospitality and facilities; international organisations, grants in aid to bodies supporting FCO objectives; scholarships, information services and sponsored visits; special payments and assistance programmes to support foreign policy objectives including human rights, good governance, international security and the fight against the illicit drug trade, the BBC Monitoring Service; on grant in aid to the BBC World Service for broadcasting and to the British Council; the refund of certain taxes and duties paid by certain Foreign and Commonwealth governments and international organisations; and on associated non-cash items.

RfR 2: Conflict prevention

Expenditure by the Foreign and Commonwealth Office on conflict prevention, early warning, crisis management, conflict resolution/peacemaking, peacekeeping and peacebuilding activity and on associated strengthening of international and regional systems and capacity.

The Foreign and Commonwealth Office will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration, international organisations programmes and BBC Monitoring subscriptions	931,618	5,397	1,400	3,997	935,615
Total RfR 1		5,397	1,400	3,997	
RfR 2: Conflict prevention					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A Sub-Saharan Africa - Programme expenditure	2,456	-100	-	-100	2,356
RfR 2 - B Global - programme expenditure	33,430	150	-	150	33,580
RfR 2 - C Sub-Saharan Africa - Peacekeeping	100,000	12,000	-	12,000	112,000
Total RfR 2		12,050	-	12,050	
Total Changes to RfRs		17,447	1,400	16,047	

	Present Provision	Change in Provision	New Provision
£000			
Capital and Cash			
Total Capital Expenditure	136,993	-	136,993
Non-Operating A in A	15,015	-	15,015
Net cash requirement	1,724,029	16,047	1,740,076

Part II: revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community								
894,469	690,773	218,970	1,804,212	257,331	1,546,881	136,993	15,015	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration, international organisations programmes and BBC Monitoring subscriptions								
728,149	284,627	180,170	1,192,946	257,331	935,615	136,993	15,015	
B BBC World Service Broadcasting								
-	208,143	-	208,143	-	208,143	-	-	
C British Council								
-	180,003	-	180,003	-	180,003	-	-	
D Accruals consequences of DEL programmes: administration								
166,320	-	-	166,320	-	166,320	-	-	
E BBC World Service - Capital grant								
-	-	31,000	31,000	-	31,000	-	-	
F British Council - Capital grant								
-	-	7,800	7,800	-	7,800	-	-	
Non-budget								
G Reimbursement of certain duties, taxes and licence fees								
-	18,000	-	18,000	-	18,000	-	-	
RfR 2: Conflict prevention								
-	-	247,936	247,936	-	247,936	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Sub-Saharan Africa - Programme expenditure								
-	-	2,356	2,356	-	2,356	-	-	
B Global - programme expenditure								
-	-	33,580	33,580	-	33,580	-	-	
C Sub-Saharan Africa - Peacekeeping								
-	-	112,000	112,000	-	112,000	-	-	
D Global - Peacekeeping								
-	-	100,000	100,000	-	100,000	-	-	
Total for Estimate:								
894,469	690,773	466,906	2,052,148	257,331	1,794,817	136,993	15,015	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	1,778,770	16,047	1,794,817
Voted capital items			
Capital expenditure	136,993	-	136,993
<i>Less: non-operating A in A</i>	<u>15,015</u>	<u>-</u>	<u>15,015</u>
Total net voted capital	121,978	-	121,978
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-62,835	-	-62,835
Depreciation	-113,624	-	-113,624
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-260	-	-260
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-176,719	-	-176,719
Excess cash to be CFERd	-	-	-
Net cash requirement	1,724,029	16,047	1,740,076

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	796,238
RfR 2	-
Total Net Administration Costs	796,238
Net Programme Costs	
RfR 1	748,242
RfR 2	247,936
CFSP	6,713
Total Net Programme costs	1,002,891
Total Net Operating Cost	1,799,129
<i>of which:</i>	
Net Resource Outturn	1,794,817
CFERs	-2,401
Non-voted expenditure	6,713
Resource Budget Outturn	1,829,530

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	1,794,817
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	6,713
Consolidated Fund extra receipts (CFERS) in the OCS	-2,401
Other adjustments	-
Net Operating Costs (Accounts)	1,799,129
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,401
resource consumption of non departmental public bodies	-
unallocated resource provision	46,000
Other adjustments	-
Resource Budget Outturn (Budget)	1,829,530
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,829,530
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	121,978
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	1,000
Other adjustments	-
Capital Budget Outturn (Budget)	122,978
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	122,978
Annually Managed Expenditure (AME)	-

Notes to the Estimate

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sir Michael Jay, Principal Accounting Officer and permanent head of department

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

Sir Michael Jay as the Principal Accounting Officer (PAO) of the Foreign and Commonwealth Office has personal responsibility for the proper presentation of the Foreign and Commonwealth Office's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO, as the permanent head, in addition to the responsibilities for the assigned RfRs, remains in general overall charge of the Foreign and Commonwealth Office.

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

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community		
Refunds of salaries of seconded FCO staff	1,256	-
Sale of information material	49	-
Sales into Wider Markets	5,590	-
Income from sub-letting and receipts from sales of surplus material and equipment	110	-
Receipts at home and overseas from legalisation fees, telephone and postage recoveries, medical schemes recoveries, bank interest and other sundry receipts	5,335	-
Receipts from Government Departments	96,465	-
Overseas receipts relating to local budgets	2,572	-
Receipts from visa and other services provided at consular offices	143,876	-
Lancaster House receipts from other customers	87	-
Wilton Park Executive Agency	1,679	-
Distressed British nationals, repayment of advances	65	-
DFID payments to Commonwealth Foundation	247	-
Income from sale of fixed assets	-	15,015
Total RfR 1	257,331 *	15,015 **
* Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments, receipts for visa, passport and other services provided at consular offices; Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; repayments of defence assistance loans to Singapore and Malaysia, receipts from Sales into Wider Markets.		
** Amount that may be applied as non-operating appropriation in aid including receipts from the sale of land and buildings, receipts from the sale of official vehicles and receipts realised by the British Council.		
Total A in A	257,331	15,015
<i>of which: Administration budgets</i>	<i>96,831</i>	<i>-</i>

Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	16,047	1,776,817	52,713	1,829,530
<i>of which : Administration Budget</i>	<i>-1,400</i>	<i>796,238</i>	<i>-</i>	<i>796,238</i>
Capital	-	121,978	1,000	122,978
Depreciation *	-	-113,624	-20,000	-133,624
Total	16,047	1,785,171	33,713	1,818,884

* 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
272,346

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

Department for International Development

Introduction

- This Supplementary Estimate is required for the following purposes:

RfR 1: Eliminating poverty in poorer countries

Increases:

Take up of End Year Flexibility

- Capital £11,800,000

£4,400,000 to Section A, £1,500,000 to Section B, for construction of new offices and security enhancements to regional offices in sub-Saharan Africa and Asia

£900,000 to Section D for investments in regional development banks and other international development agencies

£5,000,000 to Section G for investment in improvements to management information and financial systems

Transfers from non-voted Spending

- Take up of Departmental Unallocated Provision
Programme Resource £9,865,000

£4,865,000 to Section A for development programmes in sub-Saharan Africa

£5,000,000 to Section E for programmes developing innovative approaches to development

Transfers from Other Government Departments

- Department for Education and Skills, £19,000 Resources within Departmental Expenditure Limit
£19,000 to Section D
Charitable donations relating to UK Presidencies of the G8 and European Union

Other Increases

- Programme Resource £2,000,000 Resources within Departmental Expenditure Limit
£2,000,000 to Section B
Additional resources relating to donation to Disasters Emergency Committee equivalent to VAT charged on Tsunami appeal events
- Programme Resource £1,000
£1,000 to Section K
Token provision for research funds received from the European Union for disbursement to private sector organisations

Neutral Changes:

Transfers within the RfR

- Transfer of £20,525,000 resource from Section F to Section D relating to capital charges on loans to and investments in international development banks and other international financial institutions
- Transfers of £1,325,000 resource from Section H to Section E in respect of programmes relating to innovative approaches to development
- Transfer of £2,000,000 capital from Section C to Section D in respect of investments in regional development banks

Introduction (*continued*)

3. Transfer of £650,000 Non Operating Appropriations in Aid from Section A to Section C
4. Transfer of £350,000 Non Operating Appropriations in Aid from Section B to Section C
5. Transfer of £900,000 Non Operating Appropriations in Aid from Section B to Section F

Decreases

Other Decreases

1. Programme Resource £2,838,000 within Departmental Expenditure Limit
£2,838,000 reduction in Section A
Adjustment relating to refund of VAT to BandAid Charitable Trust being lower than provision included in Main Estimates

RfR 2: Conflict prevention

Increases:

Take up of End Year Flexibility

1. Capital £200,000
£200,000 to Section C for investment in information systems for the Post Conflict Reconstruction Unit
2. As a result of these changes there is an increase in the net cash requirement of £21,452,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Eliminating poverty in poorer countries	9,047,000
Total additional net resource requirement	9,047,000
Additional net cash requirement	21,452,000

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

RfR 1: Eliminating poverty in poorer countries

International development under the International Development Act 2002, including financial and technical assistance to governments, institutions, voluntary agencies and individuals; capital and other subscriptions and contributions, including payments under guarantee to multilateral development banks and other international and regional bodies; emergency, refugee and other relief assistance; contributions to pension funds and grants in lieu of pensions in respect of overseas service; global environment assistance; payments to United Nations Educational Scientific and Cultural Organisation (UNESCO); current and capital costs relating to investments in public corporations and shareholdings in private sector companies; payments (under the authority of the European Communities Act 1972) to certain beneficiaries of the Gibraltar Social Insurance Fund; administration, related capital expenditure and other administrative costs; and associated non-cash items.

RfR 2: Conflict prevention

Conflict prevention, early warning, crisis management, conflict resolution/peacemaking and peacebuilding activity and on associated strengthening of international and regional systems and capacity; post-conflict reconstruction programmes, including administration and related capital expenditure; and associated non-cash items.

The Department for International Development will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Eliminating poverty in poorer countries					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Reducing Poverty in sub-Saharan Africa	1,074,420	2,027	-	2,027	1,076,447
RfR 1 - B Reducing Poverty in Asia	746,427	2,000	-	2,000	748,427
RfR 1 - C Reducing Poverty in the Rest of the World	195,364	-	-	-	195,364
RfR 1 - D Improve the Effectiveness of Multilateral Aid	1,304,602	20,544	-	20,544	1,325,146
RfR 1 - E Developing Innovative Approaches to Development	147,553	6,325	-	6,325	153,878
RfR 1 - F Programmes Contributing to Multiple Objectives	205,459	-20,525	-	-20,525	184,934
RfR 1 - G Central Departments	76,570	-	-	-	76,570
RfR 1 - H Certain Beneficiaries of the Gibraltar Social Insurance Fund	7,525	-1,325	-	-1,325	6,200
Spending in Annually Managed Expenditure (AME)					
RfR 1 - J Programmes Contributing to Multiple Objectives	61,512	-	-	-	61,512
Non-budget					
RfR 1 - K EU Research Grants (Net)	-	1	-	1	1
Total RfR 1		9,047	-	9,047	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	55,000	12,000	67,000
Non-Operating A in A	25,000	-	25,000
Net cash requirement	3,797,311	21,452	3,818,763

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Eliminating poverty in poorer countries								
240,570	210,613	3,382,629	3,833,812	5,333	3,828,479	66,800	25,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Reducing Poverty in sub-Saharan Africa								
56,000	150	1,020,515	1,076,665	218	1,076,447	8,210	850	
B Reducing Poverty in Asia								
32,400	385	715,857	748,642	215	748,427	1,700	250	
C Reducing Poverty in the Rest of the World								
23,900	836	170,828	195,564	200	195,364	14,190	4,697	
D Improve the Effectiveness of Multilateral Aid								
14,500	63,444	1,247,302	1,325,246	100	1,325,146	16,480	18,000	
E Developing Innovative Approaches to Development								
19,000	-151	135,029	153,878	-	153,878	-	-	
F Programmes Contributing to Multiple Objectives								
13,600	84,437	86,897	184,934	-	184,934	-	900	
G Central Departments								
81,170	-	-	81,170	4,600	76,570	26,220	23	
H Certain Beneficiaries of the Gibraltar Social Insurance Fund								
-	-	6,200	6,200	-	6,200	-	-	
I Crown Agents Loan Repayments								
-	-	-	-	-	-	-	280	
<i>Anti money laundering</i>								
-	-	-	-	-	-	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
J Programmes Contributing to Multiple Objectives								
-	61,512	-	61,512	-	61,512	-	-	
Non-budget								
K EU Research Grants (Net)								
-	-	1	1	-	1	-	-	
RfR 2: Conflict prevention								
3,000	4,500	40,050	47,550	-	47,550	200	-	
Non-budget								
A Africa Conflict Prevention								
-	-	20,000	20,000	-	20,000	-	-	
B Global Conflict Prevention								
-	-	15,550	15,550	-	15,550	-	-	
C Post Conflict Reconstruction								
3,000	4,500	4,500	12,000	-	12,000	200	-	
Total for Estimate:								
243,570	215,113	3,422,679	3,881,362	5,333	3,876,029	67,000	25,000	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	3,866,982	9,047	3,876,029
Voted capital items			
Capital expenditure	55,000	12,000	67,000
<i>Less: non-operating A in A</i>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total net voted capital	30,000	12,000	42,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-118,247	2,896	-115,351
Depreciation	-22,000	-8	-22,008
New provisions and adjustments to previous provisions	-2,000	-	-2,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-250	-	-250
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	10,000	1,444	11,444
Increase(-)/decrease (+) in creditors	10,000	-	10,000
Use of provisions	<u>22,826</u>	<u>-3,927</u>	<u>18,899</u>
Total accruals to cash adjustments	-99,671	405	-99,266
Excess cash to be CFERd	-	-	-
Net cash requirement	3,797,311	21,452	3,818,763

Part III: Extra receipts payable to the Consolidated Fund

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

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

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	235,970	
RfR 2	<u>3,000</u>	
Total Net Administration Costs		238,970
Net Programme Costs		
RfR 1	3,592,509	
RFR 2	44,550	
Non voted expenditure	<u>550</u>	
Total Net Programme costs		3,637,609
Total Net Operating Cost		3,876,579
<i>of which:</i>		
Net Resource Outturn		3,876,029
CFERs		-2,500
Non-voted expenditure		3,050
Resource Budget Outturn		4,513,602

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	3,876,029
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	3,050
Consolidated Fund extra receipts (CFERS) in the OCS	-2,500
Other adjustments	-
Net Operating Costs (Accounts)	3,876,579
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-1
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,500
resource consumption of non departmental public bodies	-
unallocated resource provision	7,524
Other adjustments	627,000
Resource Budget Outturn (Budget)	4,513,602
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,452,090
Annually Managed Expenditure (AME)	61,512

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	42,000
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	42,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	42,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

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

Suma Chakrabati as the Principal Accounting Officer (PAO) of the Department for International Development has personal responsibility for the proper presentation of the Department for International Development's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Department for International Development.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Eliminating poverty in poorer countries		
Bilateral and multilateral loan repayments	-	6,697
Guarantee refunds from European Investment Bank	100	-
Rental income - Office accommodation	4,500	-
Recovery of EBRD Director's salary	100	-
Crown Agents Loan repayment	-	280
Receipts from overseas governments	633	-
Sales of Fixed Assets	-	23
Loan repayments - multilateral	-	18,000
Total RfR1	5,333 *	25,000 **
<i>of which: Administration Budgets</i>	4,600	-

*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from overseas governments in respect of bilateral country and sector programmes; refunds of payments made under UK guarantees to the European Investment Bank; administration receipts for: seconded officers, including recovery of the European Bank for Reconstruction and Development Executive Director's salary; recoveries from other government departments; recoveries from staff for use of official vehicles.

**Amount that may be applied as non-operating appropriations in aid arising from repayments of loans given to the Crown Agents; capital repayments of development assistance loans, income from debentures issued to DFID by CDC Group plc and income from the sale of land, buildings, surplus vehicles, and other fixed assets.

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Interest on loans	2,500	3,000
Other amounts collectable on behalf of the Consolidated Fund	500	5,233
Total	3,000	8,233

Departmental Expenditure Limits and Administration Budgets

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

	New DEL			£'000
	Change	Voted	Non-voted	Total
Resource	-20,954	3,814,516	637,574	4,452,090
<i>of which : Administration Budget</i>	-	238,970	-	238,970
Capital	12,000	42,000	-	42,000
Depreciation*	-8	-22,008	-	-22,008
Total	-8,962	3,834,508	637,574	4,472,082

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	30,333

Department for International Development: Overseas Superannuation

Introduction

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

RfR 1: Overseas superannuation

Increases:

Other Increases

1. To increase gross provision in Section A, within Annually Managed Expenditure, by £10,815,000 arising from the transfer of the liabilities of the Overseas Service Pensions Scheme 1985 to the Department for International Development Overseas Superannuation Estimate.
2. To increase operating Appropriations in Aid by £10,814,000, using income from the sale of the assets of the Overseas Service Pensions Scheme 1985, partially offsetting the increase in gross provision and resulting in a token increase in net provision of £1,000.
3. To increase use of provisions by £1,600,000 in the resource to cash reconciliation to allow for additional payments arising from the transfer of the liabilities of the Overseas Service Pensions Scheme 1985 and higher than expected expenditure on other pensions.
4. To recognise in the resource to cash reconciliation the effect of a decrease in creditors of £1,300,000.

Neutral changes:

1. To make provision for £7,903,000 of excess cash receipts to be surrendered to the Consolidated Fund.
2. As a result of these changes there is an increase in the net cash requirement of £1,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Overseas superannuation	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	1,000

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

RfR 1: Overseas superannuation

Pension and superannuation payments, grants and compensation payments, etc. in respect of overseas services; and sundry other services and expenditure

The Department for International Development will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Overseas superannuation					
Spending in Annually Managed Expenditure (AME)					
RfR 1 - A Pensions and associated expenditure	70,429	10,815	10,814	1	70,430
Non-budget					
RfR 1 - B Pensions and associated expenditure	83,832	-	-	-	83,832
Total RfR 1		10,815	10,814	1	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	116,071	1	116,072

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Overseas superannuation								
-	165,080	-	165,080	10,818	154,262	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
A Pensions and associated expenditure								
-	81,248	-	81,248	10,818	70,430	-	-	
Non-budget								
B Pensions and associated expenditure								
-	83,832	-	83,832	-	83,832	-	-	
Total for Estimate:								
-	165,080	-	165,080	10,818	154,262	-	-	

Part II: Resource to cash reconciliation

	Present	Increase (+) Decrease (-)	£'000 Revised
Net total Resources	154,261	1	154,262
Voted capital items			
Capital expenditure	-	-	-
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-154,265	-10,815	-165,080
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	1,312	1,312
Use of provisions	116,075	1,600	117,675
Total accruals to cash adjustments	-38,190	-7,903	-46,093
Excess cash to be CFERd	-	7,903	7,903
Net cash requirement	116,071	1	116,072

Part III: Extra receipts payable to the Consolidated Fund

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

	Present provision		New provision	
	Income	Receipts	Income	Receipts
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	17
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	7,903
Total	-	-	-	7,920

Forecast Combined Revenue Account

		£'000
		2005-06 provision
Income		
Contributions received	4	
Transfers in	10,814	
Other income receivable	-	
Total Income		10,818
Expenditure		
Increase in liability	10,815	
Interest on scheme liability	70,433	
Other expenditure	-	
Total Expenditure		81,248
Total Net Operating Cost		70,430
<i>of which:</i>		
Net Resource Outturn		154,262
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		70,430

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	154,262
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-83,832
Net Operating Costs (Accounts)	70,430
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	70,430
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-
Annually Managed Expenditure (AME)	70,430

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	-
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Suma Chakrabti, the permanent head of the Department for International Development
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Suma Chakrabti as the Principal Accounting Officer (PAO) of the Department for International Development has personal responsibility for the proper presentation of the Departments' resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to any responsibilities for an assigned RfR, remains in general overall charge of the Department for International Development: Overseas Superannuation.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Overseas superannuation		
Transfers in	10,814	-
Police receipts	4	
Total RfR 1	10,818 *	-
<i>of which: Administration budgets</i>		-

* Amount that may be applied as appropriations in aid in addition to the net total, arising from the bulk transfer value receipts of the Overseas Service Pensions Scheme 1985, and UK police force share of superannuation in respect of retired UK police officers with joint UK and overseas service.

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

	£'000	
	2005-06 provision	
	Income	Receipts
Miscellaneous (Police TVs not classified as A in A) Δ	-	17
Excess Cash	-	7,903
Total	-	7,920

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

2,915

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

Department of Trade and Industry

Introduction

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

RfR 1: Increasing UK competitiveness

Increases:

Take up of Resource End Year Flexibility of £99,258,000 (including associated non-voted expenditure) all of which is near cash

- 1 Administration costs
Utilisation of Cabinet Office EYF
£1,250,000
RfR1: subhead L1
Shareholder Executive
- 2 Administration costs
£1,350,000
RfR1: subhead L1
Shareholder Executive administration
- 3 Programme costs
£4,200,000
RfR1: subhead F3
University Innovation Centres capital grants
- 4 Programme costs
£2,000,000
RfR1: subhead D3
Renewable Energy Performance and Innovation Fund
- 5 Programme costs
£31,400,000
RfR1: subhead J3
Modernisation of the Post Office Network
- 6 Programme costs
£6,500,000
RfR1: subhead K3
Nuclear Support for the Former Soviet Union
- 7 Programme costs
£3,095,000
RfR1: subhead L3
Efficiency Challenge Fund
- 8 Capital grants vired to Capital costs
£6,500,000
RfR1: subhead E7
Loans to MG Rover Group (£5,200,000) and PowerTrain (£1,300,000)
- 9 Capital grants vired to Capital costs
£2,683,000
RfR1: subhead E7
MG Rover Task Force
- 10 Capital grants vired to Capital costs
£10,600,000
RfR1: subhead L7
2-roof strategy

Introduction

Transfers from other government departments

- 1 Administration costs
 - Transfer from the Office of the Deputy Prime Minister
 - £1,125,000
 - RfR1: subhead L1
 - Government Offices for the Regions efficiency savings
- 2 Programme costs
 - Transfer from the Department for Education and Skills
 - £350,000
 - RfR1: subhead E3
 - National Council for Graduate Entrepreneurship
- 3 Programme costs
 - Transfer from the Department for Education and Skills
 - £101,000
 - RfR1: subhead H3
 - School Teachers Pay Review Body

Transfers from non-voted provision

- 1 Programme costs
 - £53,411,000
 - RfR1: subhead F5
 - Reduced resource contributions for Regional Development Agencies from Other Government Departments
- 2 Programme costs
 - £172,018,000
 - RfR1: subhead F5
 - Reduced capital grants contributions for Regional Development Agencies from Other Government Departments

Annually Managed Expenditure

- 1 Programme costs
 - Revised forecast
 - £370,000
 - RfR1: subhead P3
 - London Development Agency Corporation tax
- 2 Capital costs
 - Revised forecast
 - £430,000,000
 - RfR1: subhead O8
 - increased working capital facility for Royal Mail

Non Budget

- 1 Programme costs
 - Revised forecast
 - £26,680,000
 - RfR1: subhead T3
 - Regional Development Agencies Grant in Aid increased to match EYF utilised as non-voted DEL
- 2 Programme costs
 - Revised forecast
 - £2,840,000
 - RfR1: subhead T3
 - Regional Development Agencies Grant in Aid increased to reconcile Main Estimate Grant in Aid to near-cash DEL allocation in Main Estimate
- 3 Programme costs
 - Revised forecast
 - £1,780,000
 - RfR1: subhead T3
 - Regional Development Agencies Grant in Aid increased to reflect transfer of responsibility for Business Link oversight administration

Introduction

- 4 Programme costs
 - Revised forecast
 - £127,913,000
 - RfR1: subhead T3
 - Regional Development Agencies Grant in Aid increased to reflect increased capital contributions from Other Government Departments

Claims on Central Reserve

- 1 Programme Costs
 - £13,000,000
 - RfR1: subhead E3
 - MG Rover capital grants support package following the administration of Rover

Other increases

- 1 Programme Costs
 - £2,200,000
 - RfR1: subhead K3
 - Virement from non-voted DEL for Nuclear Support to the Former Soviet Union

There is also, in non-Voted resource DEL, take up of non-cash End Year Flexibility of £3,000,000 near-cash resource End Year Flexibility vired to noncash for the Regional Development Agencies and £26,680,000 for capital grants for the Regional Development Agencies; and an increase of £21,020,000 to reflect the transfer from the Office of the Deputy Prime Minister of non-cash budgets for the Regional Development Agencies.

Decreases (excluding Token Estimates):

Transfers to other government departments (RfR1)

- 1 Administration costs
 - Transfer to the Office of the Deputy Prime Minister
 - £731,000
 - RfR1: subhead G1
 - Government Offices for the Regions
- 2 Programme Costs
 - Transfer to the Department for Transport
 - £250,000
 - RfR1: subhead A3
 - Low Carbon Vehicle Partnership

Transfers to non-voted provision

- 1 Administration costs
 - £1,780,000
 - RfR1: subhead L1
 - Virement to the Regional Development Agencies to reflect transfer of responsibility for Business Link oversight administration
- 2 Programme Costs
 - £96,000
 - RfR1: subhead C3
 - Virement to the Natural Environment Research Council to reflect transfer of responsibility for Gilmerton Core Store
- 3 Programme costs
 - £127,913,000
 - RfR1: subhead F5
 - Increased capital contributions for Regional Development Agencies from Other Government Departments
- 4 Programme Costs
 - £149,000
 - RfR1: subhead L3
 - Virement to the Natural Environment Research Council to reflect transfer of responsibility for Gilmerton Core Store

Introduction

Non Budget

- 1 Programme Costs
£53,411,000
RfR1: subhead T3
Regional Development Agencies Grant in Aid reduced to reflect reduced resource contributions from Other Government Departments
- 2 Programme Costs
£172,018,000
RfR1: subhead T3
Regional Development Agencies Grant in Aid reduced to reflect reduced capital grants contributions from Other Government Departments

There is also within the Net Cash Requirement a reduction of £152,000,000 in expenditure for coal health compensation payments.

Other Decreases:

- 1 Virement of Programme between Requests for Resources
£2,200,000
RfR1 subhead A3 and RfR2 subhead E3
Knowledge Transfer
- 2 Programme costs
£5,000,000
RfR1: subhead J3
Surrender of DEL to Central Reserve as contribution to Post Office Card Account

Neutral Changes:

- 1 Administration to Programme virement
£7,187,000
RfR1: subheads A1 and A2
reclassification of non-cash costs relating to the National Measurement System
- 2 Administration to Programme virement
£900,000
RfR1: subheads L1 and E3
Small Business Service Business Link oversight
- 3 Capital Grants to Capital virement
£5,211,000
RfR1: subheads L3 and L7
2-roof strategy
- 4 Virement of Programme between Subheads
£382,000
RfR1: subheads A2 and A3
To correct an error in the scoring of the Department's noncash Spending Review settlement
- 5 Virement of Programme between Functions
£2,200,000
RfR1: subheads A3 and E3
- 6 Virement of Programme between Functions
£42,000
RfR1 subheads C3 and D3
- 7 Virement of Capital between Functions
£166,000
RfR1: subheads A7 and L7
- 8 Increased Spending offset by income
£625,000
RfR1: subheads L1 and L5
increased gross expenditure and receipts for OCNS Fees Orders (£570,000), Legal Services to the Patent Office (£38,000) and the Coastal Protection Act (£17,000)

Introduction

- 9 Increased Spending offset by income
£11,500,000
RfR1: subheads A3 and A5
increased gross expenditure and receipts for European Space Agency
- 10 Increased Spending offset by income
£2,880,000
RfR1: subheads B3 and B5
increased gross expenditure and receipts for the Spectrum Efficiency Scheme
- 11 Increased Spending offset by income
£12,438,000
RfR1: subheads B3 and B5
increased gross expenditure and receipts for Ofcom spectrum management
- 12 Increased Spending offset by income
£39,371,000
RfR1: subheads M3 and M5
increased gross resource expenditure and receipts for the London Development Agency
- 13 Increased Spending offset by income
£44,037,000
RfR1: subheads N3 and N5
increased capital grants expenditure and receipts for the London Development Agency

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

Increases:

Take up of Resource End Year Flexibility of £143,386,000 (including associated non-voted expenditure) of which £123,148,000 is near cash and £20,238,000 is non-cash

- 1 Programme Costs
£65,780,000
RfR2: subhead I3
Utilisation of Departmental End Year Flexibility for Science Research Investment Fund
- 2 Programme Costs
£110,000
RfR2: subhead B3
Utilisation of Departmental Unallocated Provision for Royal Society
- 3 Programme Costs
£720,000
RfR2: subhead D3
Utilisation of Departmental Unallocated Provision for British Academy
- 4 Programme Costs
£25,598,000
RfR2: subhead E3
Utilisation of Departmental Unallocated Provision for OST Initiatives
- 5 Programme Costs
£12,300,000
RfR2: subhead G3
Utilisation of Departmental Unallocated Provision for Cambridge Massachusetts Institute of Technology
- 6 Programme Costs
£452,000
RfR2: subhead H3
Utilisation of Departmental Unallocated Provision for Foresight Link Awards

Transfers from non-voted provision

- 1 Programme costs
£13,380,000
RfR2: subhead I3
Transfer from Research Councils to Science Research Investment Fund

Introduction

- 2 Programme costs
£2,620,000
RfR2: subhead X3
Transfer from Research Councils to Joint Infrastructure Fund

Other Increases:

- 1 Virement of Programme between Requests for Resources
£2,200,000
RfR1 subhead A3 and RfR2 subhead E3

Non Budget

- 1 Programme Costs
Revised forecast
£245,000
RfR2: subhead S3
Increase for the Natural Environment Research Council to reflect transfer of responsibility for Gilmerton Core Store
- 2 Programme Costs
Revised forecast
£5,542,000
RfR2: subhead O3
Increase for the Biotechnology and Biological Sciences Research Council to reflect utilisation of End Year Flexibility
- 3 Programme Costs
Revised forecast
£128,897,000
RfR2: subhead P3
Increase for the Economic and Social Research Council to reflect utilisation of End Year Flexibility and Departmental Unallocated Provision
- 4 Programme Costs
Revised forecast
£5,204,000
RfR2: subhead S3
Increase for the Natural Environment Research Council to reflect utilisation of End Year Flexibility
- 5 Programme Costs
Revised forecast
£42,283,000
RfR2: subhead T3
Increase for the Particle Physics and Astronomy Research Council to reflect utilisation of Departmental Unallocated Provision and End Year Flexibility
- 6 Programme Costs
Revised forecast
£77,791,000
RfR2: subhead U3
Increase for the Council for the Central Laboratory of the Research Councils to reflect utilisation of Departmental Unallocated Provision and End Year Flexibility
- 7 Programme Costs
Revised forecast
£25,753,000
RfR2: subhead V3
Increase for the Council for the Central Laboratory of the Research Councils for Diamond Synchrotron to reflect utilisation of Departmental Unallocated Provision and End Year Flexibility

Neutral Changes:

- 1 Virement of Programme between Functions
£15,143,000
RfR2 subheads A3 and M3
Reclassification of Research Councils Pensions from Departmental Expenditure Limit to Annually Managed Expenditure

Introduction

- 2 Virement of Programme between Functions
£5,022,000
RfR2 subheads F3 and E3
Transfer from Knowledge Transfer to OST Initiatives
- 3 Virement of Programme between Functions
£448,000
RfR2 subheads N3 and O3
Transfer of Grant in Aid between Research Councils
- 4 Virement of Programme between Functions
£12,103,000
RfR2 subheads R3 and P3
Transfer of Grant in Aid between Research Councils

There is also, in non-Voted resource DEL utilisation of Departmental Unallocated Provision of £120,000,000 of resource near-cash to the Economic and Social Research Council, of £25,000,000 resource near-cash and £5,000,000 of capital grants to the Particle Physics and Astronomy Research Council, of £57,230,000 resource End Year Flexibility to be vired to capital grants (£11,616,000 to the Biotechnological and Biological Sciences Research Council, £15,000,000 to the Economic and Social Research Council, £30,514,000 to the Engineering and Physical Sciences Research Council, and £100,000 to the Natural Environment Research Council); of capital grants End Year Flexibility of £138,000 to the Engineering and Physical Sciences Research Council, and of non-cash End Year Flexibility of £20,238,000 for the Science Research Councils (£331,000 for Arts and Humanities Research Council, £2,785,000 for Biotechnology and Biological Sciences Research Council, £329,000 for the Engineering and Physical Sciences Research Council. £10,205,000 for the Medical Research Council. £4,064,000 for the Natural Environment Research Council, £2,524,000 for the Particle Physics and Astronomy Research Council); and an increase of £245,000 for the Natural Environment Research Council to reflect transfer of responsibility for Gilmerton Core Store.

There is also, in non-Voted capital DEL, take up of End Year Flexibility of £48,272,000 for the Science Research Councils (£2,700,000 to BBSRC for the Institute of Animal Health, £2,000,000 to MRC for ISIS, £3,000,000 to NERC for Halley VI, £8,800,000 to NERC for RRS James Cook, £372,000 for the Council for the Central Laboratory for the Research Councils for the ISIS 2nd Target Station, £3,800,000 to CCLRC for 4GLS, £4,300,000 to CCLRC for MICE and £23,300,000 to CCLRC for Diamond Synchrotron) and utilisation of £40,406,000 from the Departmental Unallocated Provision for the Council for the Central Laboratory for the Research Councils for the ISIS 2nd Target Station

2. As a result of these changes there is an increase in the net cash requirement of £795,075,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Increasing UK competitiveness	82,824,000
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society	408,875,000
Total additional net resource requirement	491,699,000
Additional net cash requirement	795,075,000

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

RfR 1: Increasing UK competitiveness

Promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections identified within the portfolios of innovation, international trade and investment, regional investment, enterprise for small firms and people & skills; support for business, including support for specific industries, small businesses, regional programmes and programmes to promote research and development, innovation, best practice and sustainable development; promotion of strong, fair and competitive markets at home and abroad including developing fair and effective legal and regulatory frameworks, measures to protect investors, measures to promote the interests of consumers, support for employment relations programmes and measures to promote a skilled and flexible labour market; support for energy-related activities including measures related to regulation, civil emergency planning, environmental remediation and support for new and sustainable energy sources, security, non-proliferation; safety, environment and social impact programmes relating to nuclear sites in Central and Eastern Europe and the Former Soviet Union and other countries where future G8 Global Partnership related initiatives may be pursued; the efficient management and discharge of liabilities falling to the Department including nuclear waste management and decommissioning and liabilities in respect of former coal and shipbuilding industry employees; provision of repayable credit facilities for British Energy and Royal Mail; petroleum royalties; exchange risk and other guarantee losses; subscriptions to international organisations and fulfilment of international treaty obligations; payments to other Government Departments in relation to programmes supporting DTI objectives; support for Government Offices; grants and grants-in-aid to organisations promoting DTI objectives, including Non- Departmental Public Bodies; financial assistance to public corporations including Ofcom; managing the Government's shareholder interest in Royal Mail, British Energy, BNFL, UKAEA, Royal Mint, Partnerships UK and Actis; funding of the department's executive agencies; issuing budgets and making payments to Regional Development Agencies, to which other government departments will contribute by supplying resources which DTI will appropriate in aid; payments to local authorities in respect of Local Area Agreements; miscellaneous programmes including payments in respect of claims for the restitution of property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers and dismissed miners; departmental administration costs and a share of the administration costs of UK Trade and Investment; payments towards the expenses of the Office of Manpower Economics; associated non-cash items.

Part I (*continued*)

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

Research Councils; the Royal Society; the Royal Academy of Engineering; the British Academy; Office of Science and Technology initiatives; nuclear fusion; the Cambridge/Massachusetts Institute of Technology; the Council for the Central Laboratory of the Research Councils for Diamond Synchrotron; the University Challenge Fund; the Joint Infrastructure Fund; the Science Research Investment Fund; Foresight Link Awards; the Department for Education and Skills, for the Higher Education Innovation Fund; exploitation of discoveries at public sector research establishments; the Foreign and Commonwealth Office for Dorothy Hodgkin Scholarships; fees payable under the Animals (Scientific Procedures) Act 1986; Research Council pensions; capital and administration costs of the Office of Science and Technology and associated non-cash items.

The **Department of Trade and Industry** will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Increasing UK competitiveness					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Knowledge Transfer and Innovation	395,946	6,850	11,500	-4,650	391,296
RfR 1 - B Extending Competitive Markets	50,318	15,318	15,318	-	50,318
RfR 1 - C Security of Energy Supply	-6,835	-138	-	-138	-6,973
RfR 1 - D Sustainability and the Environment	99,015	2,042	-	2,042	101,057
RfR 1 - E Enterprise Growth and Business Investment	167,778	16,450	-	16,450	184,228
RfR 1 - F Regional Economies	-1,294,253	4,200	-97,516	101,716	-1,192,537
RfR 1 - G Trade and Investment	36,718	-731	-	-731	35,987
RfR 1 - H Maximising Potential in the Workplace	142,282	101	-	101	142,383
RfR 1 - J Assets and Liabilities	-1,013,400	26,400	-	26,400	-987,000
RfR 1 - K Nuclear Security and Export Control	52,246	8,700	-	8,700	60,946
RfR 1 - L Activities in Support of all Objectives	323,216	-595	625	-1,220	321,996
RfR 1 - M Current Grants to the London Development Agency	1	39,371	39,371	-	1
RfR 1 - N Capital Grants to the London Development Agency	1	44,037	44,037	-	1
Spending in Annually Managed Expenditure (AME)					
RfR 1 - P Regional Economies	1,777	370	-	370	2,147
Non-budget					
RfR 1 - T Regional Economies	1,822,054	-66,216	-	-66,216	1,755,838
Total RfR 1		96,159	13,335	82,824	

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

Spending in Departmental Expenditure Limits (DEL)

RfR 2 - A Research Councils' Pension Schemes	33,240	-15,143	-	-15,143	18,097
RfR 2 - B The Royal Society	32,445	110	-	110	32,555
RfR 2 - D British Academy	13,330	720	-	720	14,050
RfR 2 - E OST Initiatives	8,087	32,820	-	32,820	40,907
RfR 2 - F Knowledge Transfer	79,140	-5,022	-	-5,022	74,118
RfR 2 - G Cambridge/Massachusetts Institute of Technology	1,000	12,300	-	12,300	13,300
RfR 2 - H Foresight LINK Awards	154	452	-	452	606
RfR 2 - I Science Research Investment Fund	300,000	79,160	-	79,160	379,160

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Spending in Annually Managed Expenditure (AME)					
RfR 2 - M Research Councils' Pension Schemes	3,559	15,143	-	15,143	18,702
Non-budget					
RfR 2 - N Arts and Humanities Research Council	75,535	-448	-	-448	75,087
RfR 2 - O Biotechnology and Biological Sciences Research Council	310,815	5,990	-	5,990	316,805
RfR 2 - P Economic and Social Research Council	119,864	141,000	-	141,000	260,864
RfR 2 - R Medical Research Council	451,958	-12,103	-	-12,103	439,855
RfR 2 - S Natural Environment Research Council	317,534	5,449	-	5,449	322,983
RfR 2 - T Particle Physics and Astronomy Research Council	287,717	42,283	-	42,283	330,000
RfR 2 - U Council for the Central Laboratory of the Research Councils	87,397	77,791	-	77,791	165,188
RfR 2 - V Council for the Central Laboratory of the Research Councils - Diamond Synchrotron	50,500	25,753	-	25,753	76,253
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - X Joint Infrastructure Fund	-	2,620	-	2,620	2,620
Total RfR 2		408,875	-	408,875	
Total Changes to RfRs		505,034	13,335	491,699	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	35,031,735	24,994	35,056,729
Non-Operating A in A	35,018,993	-430,000	34,588,993
Net cash requirement	6,991,799	795,075	7,786,874

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Increasing UK competitiveness								
384,368	191,751	9,842,037	10,418,156	2,904,734	7,513,422	35,056,531	34,588,845	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Knowledge Transfer and Innovation								
712	105,047	301,842	407,601	16,305	391,296	5,341	40,166	
B Extending Competitive Markets								
-	128,833	23,836	152,669	102,351	50,318	100	24,000	
C Security of Energy Supply								
-	5,276	971	6,247	13,220	-6,973	-	-	
D Sustainability and the Environment								
-	17,725	84,042	101,767	710	101,057	-	-	
E Enterprise Growth and Business Investment								
-	148,775	51,903	200,678	16,450	184,228	26,183	-	
F Regional Economies								
-	2,000	60,450	62,450	1,254,987	-1,192,537	-	-	
G Trade and Investment								
35,987	-	-	35,987	-	35,987	-	-	
H Maximising Potential in the Workplace								
28,350	114,405	181	142,936	553	142,383	2,750	-	
I Corporate Activity and Insolvency Framework								
1,950	95,284	-	97,234	44,700	52,534	100	385	
J Assets and Liabilities								
-	38,790	38,699	77,489	1,064,489	-987,000	-	-	
K Nuclear Security and Export Control								
-	246	60,700	60,946	-	60,946	-	-	
L Activities in Support of all Objectives								
317,369	7,190	2,946	327,505	5,509	321,996	22,057	4,291	
<i>Knowledge Transfer and Innovation - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Extending Competitive Markets - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Security of Energy Supply - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Sustainability and the Environment - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
<i>Enterprise Growth and Business Investment - Capital Modernisation Fund</i>								
-	-	-	-	-	-	-	-	
Support for Local Authorities								
M Current Grants to the London Development Agency								
-	-	188,071	188,071	188,070	1	-	-	

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

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
N	Capital Grants to the London Development Agency							
-	-	186,537	186,537	186,536	1	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
O	Assets and liabilities							
-	-471,820	587,936	116,116	5	116,111	35,000,000	34,520,000	
<i>Support for Local Authorities</i>								
P	Regional Economies							
-	-	2,147	2,147	-	2,147	-	-	
Non-budget								
Q	Extending Competitive Markets							
-	-	41,020	41,020	-	41,020	-	-	
R	Security of Energy Supply							
-	-	23,700	23,700	10,599	13,101	-	-	
S	Enterprise Growth and Business Development							
-	-	9,752	9,752	-	9,752	-	-	
T	Regional Economies							
-	-	1,756,088	1,756,088	250	1,755,838	-	-	
U	Maximising Potential in the Workplace							
-	-	7,914	7,914	-	7,914	-	-	
V	Corporate Activity and Insolvency Framework							
-	-	392	392	-	392	-	-	
W	Assets and Liabilities							
-	-	6,406,910	6,406,910	-	6,406,910	-	3	
X	Nuclear Security and Export Control							
-	-	6,000	6,000	-	6,000	-	-	
RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society								
	12,810	33,541	3,094,830	3,141,181	1,067	3,140,114	198	148
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Research Councils' Pension Schemes							
-	18,097	-	18,097	-	18,097	-	-	
B	The Royal Society							
-	-	32,555	32,555	-	32,555	-	-	
C	Royal Academy of Engineering							
-	-	5,850	5,850	-	5,850	-	-	
D	British Academy							
-	-	14,050	14,050	-	14,050	-	-	
E	OST Initiatives							
-	-	40,907	40,907	-	40,907	-	-	

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

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
F	Knowledge Transfer	-	-	74,118	74,118	-	-	-
G	Cambridge/Massachusetts Institute of Technology	-	-	13,300	13,300	-	-	-
H	Foresight LINK Awards	-	-	606	606	-	-	-
I	Science Research Investment Fund	-	-	379,160	379,160	-	-	-
J	Science and Engineering Base Administration Costs	4,860	-	-	4,860	-	63	49
K	Transdepartmental Science and Technology Group Administration Costs	7,950	-	-	7,950	-	135	99
L	Biotechnology and Biological Sciences Research Council	-	-	-	-	1,000	-1,000	-
	<i>Joint Infrastructure Fund</i>	-	-	-	-	-	-	-
	Spending in Annually Managed Expenditure (AME)							
	<i>Central Government spending</i>							
M	Research Councils' Pension Schemes	-	15,269	3,500	18,769	67	18,702	-
	Non-budget							
N	Arts and Humanities Research Council	-	-	75,087	75,087	-	75,087	-
O	Biotechnology and Biological Sciences Research Council	-	-	316,805	316,805	-	316,805	-
P	Economic and Social Research Council	-	-	260,864	260,864	-	260,864	-
Q	Engineering and Physical Sciences Research Council	-	-	541,129	541,129	-	541,129	-
R	Medical Research Council	-	-	439,855	439,855	-	439,855	-
S	Natural Environment Research Council	-	-	322,983	322,983	-	322,983	-
T	Particle Physics and Astronomy Research Council	-	-	330,000	330,000	-	330,000	-
U	Council for the Central Laboratory of the Research Councils	-	-	165,188	165,188	-	165,188	-
V	Council for the Central Laboratory of the Research Councils - Diamond Synchrotron	-	-	76,253	76,253	-	76,253	-
W	Fees Payable under the Animals (Scientific Procedures) Act 1986	-	175	-	175	-	175	-

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

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
X Joint Infrastructure Fund								
-	-	2,620	2,620	-	2,620	-	-	
Total for Estimate:								
397,178	225,292	12,936,867	13,559,337	2,905,801	10,653,536	35,056,729	34,588,993	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	10,161,837	491,699	10,653,536
Voted capital items			
Capital expenditure	35,031,735	24,994	35,056,729
<i>Less: non-operating A in A</i>	<u>35,018,993</u>	<u>-430,000</u>	<u>34,588,993</u>
Total net voted capital	12,742	454,994	467,736
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	465,408	-	465,408
Depreciation	-21,149	382	-20,767
New provisions and adjustments to previous provisions	-5,056,547		-5,056,547
Profit/loss on sale of assets	-		-
Prior period adjustments	-		-
Other non-cash items	-243		-243
Increase(+)/decrease (-) in stock	-		-
Increase(+)/decrease (-) in debtors	-6,000		-6,000
Increase(-)/decrease (+) in creditors	-		-
Use of provisions	<u>1,435,751</u>	<u>-152,000</u>	<u>1,283,751</u>
Total accruals to cash adjustments	-3,182,780	-151,618	-3,334,398
Excess cash to be CFERd	-	-	-
Net cash requirement	6,991,799	795,075	7,786,874

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	378,713
RfR 2	<u>12,810</u>
Total Net Administration Costs	391,523
Net Programme Costs	
RfR 1	6,802,568
RfR 2	3,127,304
National Insurance Fund	<u>223,809</u>
Total Net Programme costs	10,153,681
Total Net Operating Cost	10,545,204
<i>of which:</i>	
Net Resource Outturn	10,653,536
CFERs	-332,141
Non-voted expenditure	223,809
Resource Budget Outturn	6,078,651

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	10,653,536
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	223,809
Consolidated Fund extra receipts (CFERS) in the OCS	-332,141
Other adjustments	-
Net Operating Costs (Accounts)	10,545,204
<i>Adjustments to remove:</i>	
capital grants to local authorities	-1,501
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	88,150
voted expenditure outside the budget	-4,283,100
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-4,200
resource consumption of non departmental public bodies	-279,746
unallocated resource provision	3,844
Other adjustments	10,000
Resource Budget Outturn (Budget)	6,078,651
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	6,000,082
Annually Managed Expenditure (AME)	78,569

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	467,736
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-158,300
capital spending by non departmental public bodies	789,776
capital grants to local authorities	1,501
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	104
Other adjustments	-246,411
Capital Budget Outturn (Budget)	854,406
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	374,406
Annually Managed Expenditure (AME)	480,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sir Brian Bender, Permanent Head of the Department of Trade and Industry

Request for Resources 2 Sir Brian Bender, Permanent Head of the Department of Trade and Industry

Sir Brian Bender as the Principal Accounting Officer (PAO) of the Department of Trade and Industry has personal responsibility for the proper presentation of the Department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Department of Trade and Industry.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Increasing UK competitiveness		
Innovation in Support of Knowledge Transfer	4,250	-
Space	11,557	-
Office of Communications (Ofcom)	85,193	24,000
Spectrum Efficiency	7,880	-
Consumer Protection	109	-
Postwatch	9,169	-
Non-nuclear receipts of a regulatory nature (including Gas and Electricity Consumers Council)	13,220	-
Non-nuclear receipts directly related to creation of open markets	710	-
Small Firms' Loan Guarantee Scheme	8,950	-
Small Business Service, including Farm Business Advice Service	7,500	-
Receipts from ODPM for RDAs	1,116,548	-
Receipts from Department of Education and Skills for RDAs	42,500	-
Receipts from UK Trade and Investment for RDAs	15,230	-
Receipts from DEFRA for RDAs	76,859	-
Receipts from DCMS for RDAs	3,600	-
Regional Selective Assistance	250	-
External Legal Receipts	203	-
Telecommunications and posts	3,278	-
Coal Subsidence & Arbitration	77	-
Non-ring-fenced Coal Liabilities	10,034	-
Nuclear Decommissioning Authority	1,051,100	-
Administration costs	5,309	4,291
Receipts from ODPM for LDA	374,606	-
Working capital credit facility for the Royal Mail	-	34,520,000
Privatisation Receipts	-	3
Ring-fenced Coal Health Liabilities	5	-
Petroleum Licensing	10,599	-
EHLASS (European Home Leisure Accident Surveillance Survey)	250	-
On Vote Agencies		
NWML	498	-
Employment Tribunals Service	350	-
Insolvency Service	44,700	-
Other Govt Depts	200	-
Trading Funds		
Patent Office	-	40,166
Companies House	-	385
Total RfR 1	2,904,734 *	34,588,845 **

*Amount that may be applied as operating appropriations in aid in addition to the net total, arising from the recovery of income from the European Union/ECSC and income relating to Regional Selective Assistance, flexible business support measures, the Small Business Service, Business Link Operators, Small Firms Loan Guarantee and other small firm support schemes, receipts from the Department of Environment, Food and Rural Affairs in respect of the Farm Business Advice Service, trade policy, e-commerce, energy and coal, innovation and technology support schemes, sectoral support, receipts from the Office of the Deputy Prime Minister, Department of Environment, Food and Rural Affairs, the Department for Education and Skills, the Department for Culture, Media and Sport and UK Trade and Investment in relation to Regional Development Agencies and the London Development Agency, the exchange risk guarantee scheme, national selective assistance to industry, the Office of Civil Nuclear Security, fees to advisers on privatisation and BNFL, and expenditure in the following areas: telecommunications, including licence fees, posts, civil aircraft research and demonstration, aerospace,

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

private sector shipbuilding, British Energy, redundant steelworkers, space, consumer and investor protection, employment relations including the promotion of Work-Life Balance, support for the construction industry, privatisation and the sale of shares, petroleum licensing and royalties; legal services, consultancy, publications, secondments, departmental administration costs, central services, European Fast Stream, executive agencies and trading funds, including income relating to Ofcom; receipts from the Postal Services Commission and Office of Gas and Electricity Markets to cover the costs of the relevant Consumer Councils; receipts in connection with the coal subsidence adviser and the coal operating subsidy; the receipt of distributions from coal industry pension schemes other than distribution of surpluses; income relating to the dissolution of British Coal Corporation; income from the Office of the Deputy Prime Minister in respect of the Framework V helpline; miscellaneous receipts from other Government Departments and other income from the Office of Gas and Electricity Markets.

** Amount that may be applied as non-operating appropriations in aid, arising from the recovery of income from the sales of fixed assets and from sale of land by the Department and its executive agencies, the repayment of loans to the aerospace industry and the Royal Mail and of loans to the trading funds and utilisation of Patent Office reserves.

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

Research Councils' Pension Schemes	67	-
Co-funding of Biotechnology and Biological Sciences Research Council by Department for Environment, Food and Rural Affairs	1,000	-
Administrative Costs	-	148

Total RfR 2	1,067 *	148 **
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* Amount that may be applied as operating appropriations in aid in addition to the net total, arising from receipts for employees' and employers' contributions and transfer values received, and contributions towards the Institute of Animal Health.

** Amount that may be applied as non-operating appropriations in aid, arising from the recovery of income from the sales of fixed assets and from sale of land.

Total A in A	2,905,801	34,588,993
<i>of which: Administration budgets</i>	<i>4,957</i>	<i>-</i>

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	232,122	80,123	5,919,959	6,000,082
<i>of which : Administration Budget</i>	<i>-6,873</i>	<i>391,523</i>	<i>-</i>	<i>391,523</i>
Capital	73,266	-257,174	631,580	374,406
Depreciation*	382	-20,767	-101,433	-122,200
Total	305,770	-197,818	6,450,106	6,252,288

*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

37,494,794

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

Postal Services Commission

Introduction

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

RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition

Increases:

An increase in capital of £500,000 for costs of refurbishment of accommodation for additional staff (offset by a contribution from the Royal Mail Group); a consequential increase in depreciation of £100,000; a decrease in debtors of £98,000 and a decrease in creditors of £2,028,000

2. As a result of these changes there is an increase in the net cash requirement of £2,040,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition

-

Total additional net resource requirement

-

Additional net cash requirement**2,040,000**

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Postal Services Commission on:

RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition

Administrative, operational costs and associated non-cash items

The Postal Services Commission will account for this Estimate.

Part II: Changes proposed

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	150	500	650
Non-Operating A in A	-	-	-
Net cash requirement	1	2,040	2,041

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition								
10,160	-	-	10,160	10,159	1	650	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition								
10,160	-	-	10,160	10,159	1	650	-	
Total for Estimate:								
10,160	-	-	10,160	10,159	1	650	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	1	-	1
Voted capital items			
Capital expenditure	150	500	650
<i>Less: non-operating A in A</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total net voted capital	150	500	650
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-40	-	-40
Depreciation	-400	-100	-500
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	-	-98	-98
Increase(-)/decrease (+) in creditors	-	2,028	2,028
Use of provisions	-	-	-
Total accruals to cash adjustments	-440	1,830	1,390
Excess cash to be CFERd	290	-290	-
Net cash requirement	1	2,040	2,041

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	-	-	500	<i>500</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	<i>290</i>	-	-
Total	-	<i>290</i>	500	<i>500</i>

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	<u>1</u>	
Total Net Administration Costs		1
Net Programme Costs		
RfR 1	<u>-</u>	
Total Net Programme costs		-
Total Net Operating Cost		1
<i>of which:</i>		
Net Resource Outturn		1
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		-499

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	1
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	1
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
To reflect forecast resource underspend	-500
Resource Budget Outturn (Budget)	-499
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	-499
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	650
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	650
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	650
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sarah Chambers, Chief Executive of the Commission

Sarah Chambers, as the Principal Accounting Officer (PAO) of the Postal Services Commission has personal responsibility for the proper presentation of the Postal Service Commission's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Postal Services Commission.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition		
Income from postal operators	10,159	-
Total RfR 1	10,159 *	-

* Amount that may be applied as appropriations in aid in addition to the net total arising from income from postal operators

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Postal Services Commission Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-500	-499	-	-499
<i>of which : Administration Budget</i>	-	1	-	1
Capital	500	650	-	650
Depreciation*	-	-500	-	-500
Total	-	-349	-	-349

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship	10,159

Department for Environment, Food and Rural Affairs

Introduction

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

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

Increases:

(i) Transfers from Central Funds

Amount: £25,834,000

Sections: B, D and E

To increase admin for Departmental Operations (Section E) by £25,000,000 for take up of funding for the Developing Defra programme from the reserve.

To increase resource other current for Environment (Section B) by £84,000 and Natural Resources and Rural Affairs (Section D) by £750,000 for take up of Invest to Save Budget funding.

(ii) Increase in Provision

Amount: £86,154,000

Sections: I and O

To increase AME resource other current for Rural Payments Agency (Section I) by £30,644,000; AME Resource Grants for Rural Payments Agency (Section I) by £550,000, Non-Budget resource grants for Rural Payments Agency (Section O) by £54,960,000.

Decreases:

(i) Transfers to Other Government Departments

Amount: £10,945,000

Sections: B and D

To decrease resource other current for Environment (Section B) by a transfer to the Ministry of Defence (£4,745,000); Natural Resources and Rural Affairs (Section D) by transfers to the Office of the Deputy Prime Minister (£5,362,000) and the Forestry Commission (£838,000).

(ii) Decrease in Provision

Amount: £101,611,000

Section: O

To increase Non-Budget appropriations in aid for Rural Payments Agency (Section O) by £101,611,000.

Neutral Changes:

(i) Movements between sections

Sections: A, B C, D, E, F and G

Various movements between DEL sections, net effect neutral within DEL:

To decrease resource other current for Animal Health and Welfare (Section A) by £5,146,000. To increase resource other current for Environment (Section B) by £9,210,000, resource grants by £8,830,000. To increase admin for Sustainable Farming, Food and Fisheries (Section C) by £6,365,000, resource other current by £913,000, and to decrease resource grants by £123,000. To increase resource other current for Natural Resources and Rural Affairs (Section D) by £92,806,000, resource grants by £18,490,000, and to decrease operating appropriations in aid by £80,000. To decrease admin for Departmental Operations (Section E) by £6,365,000, resource other current by £14,829,000, resource grants by £25,000. To decrease resource other current for Rural Payments Agency (Section F) by £120,206,000. To decrease operating appropriations in aid for Other Executive Agencies (Section G) by £10,000,000.

Introduction (*continued*)

(ii) Increases in expenditure offset by increases in Appropriations in Aid

Sections: B, E and F

To increase non-operating Appropriations in Aid for Rural Payments Agency (Section F) by £6,239,000, offset by an increase to Capital of £3,588,000 and by an increase to Profit/loss on sale of assets by £2,651,000.

Various increases in expenditure offset by equal increases in operating appropriations in aid: £250,000 for Environment (Section B), £500,000 for Rural Payments Agency (Section F), £541,000 for Departmental Operations (Section E).

(iii) Machinery of Government

Amount: £3,300,000 expenditure offset by £3,300,000 income

Sections: B and K

To increase operating appropriations in aid for Environment (Section B) by £3,300,000, Non-Budget Grant in Aid (Section K) by £3,300,000, and non-Voted DEL Resource by £3,300,000 to reflect transfer of responsibility for the Consumer Council for Water from OFWAT.

(iv) Other neutral changes

To increase capital grants for local authorities for Environment (Section H) by £3,220,000, offset by a decrease in non-voted capital for Environment Agency of £2,800,000, and non-voted supported capital expenditure of £420,000.

To increase Non-Budget Grant in Aid (Section L) and non-voted DEL resource for Sustainable Food Farming and Fisheries by £4,362,000 offset by an equal decrease in resource other current (Section C) for the Gangmasters Licensing Authority.

To increase resource other current for Other Executive Agencies (Section G) by £5,220,000, offset by an equal decrease in Departmental Operations (Section E) for the Government Decontamination Service.

To increase resource other current for Other Executive Agencies (Section G) by £20,419,000, offset by an equal decrease in Sustainable Farming, Food and Fisheries (Section C) for the Marine Fisheries Agency.

To decrease Consolidated Fund Extra Receipts (CFERs) for the Rural Payments Agency in respect of the Single Farm Payment by £38,168,000.

2. There is no change to the net cash requirement as a result of these changes.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.	†	1,000
Total additional net resource requirement		1,000
Additional net cash requirement		-

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

environmental protection; support for measures which improve local environmental quality; pollution emergency response services; flood and coastal protection and land drainage; water partnership supply and sewerage services, including national security; support to the environmental protection industry for environmental technology and for measures to promote sustainable development; measures to reduce carbon dioxide emissions and improve energy efficiency, security and environmental practice; botanical services; radon measurement and support of remedial works campaigns; support for agriculture in special areas; food safety and hygiene; support for rural and regional development; assistance to production; marketing and processing in the agriculture, fisheries and food industries; assistance to the residuary Milk Marketing Board; cover for payment arising out of the Factortame group of claims following the House of Lords judgement in October 1999; emergency and strategic food services; plant health; support for the fishing industry; compensation payments to producers; grants and other financial support to voluntary bodies; support for measures to stimulate sustainable consumption of goods and services; countryside management and stewardship; conservation; national parks grants; support of countryside and wildlife initiatives; animal health and welfare; emergency measures, including foot and mouth eradication and compensation schemes; other services including emergency measures in relation to BSE; grant-in-aid to Non-Departmental Public Bodies and subsidy to Public Corporations; subscriptions and contributions to international organisations; surveys, monitoring, statistics, advice and consultancies; publicity, promotion, awareness and publications; commissioned and departmental research and development; specialist support services, management and development of staff, other departmental administration costs, regional restructuring costs; EU receipts; giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and England Rural Development Plan of the European Union including compensation payments to producers and support for agriculture in special areas, management of inland waterways by British Waterways Board and associated non-cash costs.

The **Department for Environment, Food and Rural Affairs** will account for this Estimate.

† Responsibility for consumer representation functions of Water Voice and additional functions under the Water Act 2003 were transferred to the new Consumer Council for Water, a non departmental body funded by the Department for Environment, Food and Rural Affairs, with effect from 1 October 2005. The transfer from the Office of Water Services relating to the machinery of government transfer is an increase in both gross spending and appropriations in aid of £3,300,000 with no impact on net resources or cash.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Animal Health and Welfare	270,823	-5,146	-	-5,146	265,677
RfR 1 - B	Environment	706,766	8,409	3,550	4,859	711,625
RfR 1 - C	Sustainable Farming Food and Fisheries	123,450	-17,626	-	-17,626	105,824
RfR 1 - D	Natural Resources and Rural Affairs	287,555	105,846	-80	105,926	393,481
RfR 1 - E	Departmental Operations	315,448	4,322	541	3,781	319,229
RfR 1 - F	Rural Payments Agency	462,767	-122,357	500	-122,857	339,910
RfR 1 - G	Other Executive Agencies	52,601	25,639	-10,000	35,639	88,240
RfR 1 - H	Environment	152,930	3,220	-	3,220	156,150

Spending in Annually Managed Expenditure (AME)

RfR 1 - I	Rural Payments Agency	2,272,926	31,194	-	31,194	2,304,120
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Non-budget

RfR 1 - K	Environment	659,148	3,300	-	3,300	662,448
RfR 1 - L	Sustainable Farming Food and Fisheries	7,294	4,362	-	4,362	11,656
RfR 1 - O	Rural Payments Agency	205,143	54,960	101,611	-46,651	158,492

Total RfR 1

96,123	96,122	1
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£000

	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	96,083	3,588	99,671
Non-Operating A in A	5,480	6,239	11,719
Net cash requirement	5,637,160	-	5,637,160

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000
1	2	3	4	5	6	7	8
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.							
394,724	3,888,975	2,387,316	6,671,015	971,544	5,699,471	99,671	11,719
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
<i>A Animal Health and Welfare</i>							
26,928	211,638	27,136	265,702	25	265,677	5,540	-
<i>B Environment</i>							
33,897	483,670	199,656	717,223	5,598	711,625	3,584	-
<i>C Sustainable Farming Food and Fisheries</i>							
34,100	74,017	205	108,322	2,498	105,824	-	-
<i>D Natural Resources and Rural Affairs</i>							
23,310	299,365	72,814	395,489	2,008	393,481	-	-
<i>E Departmental Operations</i>							
236,776	92,460	5,220	334,456	15,227	319,229	55,059	5,480
<i>F Rural Payments Agency</i>							
-	340,410	-	340,410	500	339,910	8,388	6,239
<i>G Other Executive Agencies</i>							
39,713	83,845	4,998	128,556	40,316	88,240	27,100	-
<i>Support for Local Authorities</i>							
<i>H Environment</i>							
-	-	156,150	156,150	-	156,150	-	-
<i>Rural Payments Agency</i>							
-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central government spending</i>							
<i>I Rural Payments Agency</i>							
-	2,303,570	550	2,304,120	-	2,304,120	-	-
<i>Support for Local Authorities</i>							
<i>J Rural Payments Agency</i>							
-	-	6,445	6,445	-	6,445	-	-
Non-budget							
<i>K Environment</i>							
-	-	662,448	662,448	-	662,448	-	-
<i>L Sustainable Farming Food and Fisheries</i>							
-	-	11,656	11,656	-	11,656	-	-
<i>M Natural Resources and Rural Affairs</i>							
-	-	151,275	151,275	-	151,275	-	-

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

		Resources				Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
N	Departmental Operations							
-	-	24,899	24,899	-	24,899	-	-	
O	Rural Payments Agency							
-	-	1,063,864	1,063,864	905,372	158,492	-	-	
	<i>Animal Health and Welfare</i>							
-	-	-	-	-	-	-	-	
Total for Estimate:								
394,724	3,888,975	2,387,316	6,671,015	971,544	5,699,471	99,671	11,719	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	5,699,470	1	5,699,471
Voted capital items			
Capital expenditure	96,083	3,588	99,671
<i>Less: non-operating A in A</i>	<u>5,480</u>	<u>6,239</u>	<u>11,719</u>
Total net voted capital	90,603	-2,651	87,952
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-45,379	-	-45,379
Depreciation	-107,771	-	-107,771
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	2,651	2,651
Prior period adjustments	-	-	-
Other non-cash items	-75	-	-75
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	429	-	429
Increase(-)/decrease (+) in creditors	-117	-	-117
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-152,913	2,651	-150,262
Excess cash to be CFERd	-	-	-
Adjustment to remove token increase in cash	-	-1	-1
Net cash requirement	5,637,160	-	5,637,160

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	2,619,414	<i>2,600,419</i>	2,581,246	<i>2,562,251</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	<u>2,619,414</u>	<u><i>2,600,419</i></u>	<u>2,581,246</u>	<u><i>2,562,251</i></u>

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	342,064
Total Net Administration Costs	342,064
Net Programme Costs	
RfR 1	2,776,161
Total Net Programme costs	2,776,161
Total Net Operating Cost	3,118,225
<i>of which:</i>	
Net Resource Outturn	5,699,471
CFERs	-2,581,246
Non-voted expenditure	-
Resource Budget Outturn	5,413,336

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	5,699,471
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-2,581,246
Other adjustments	-
Net Operating Costs (Accounts)	3,118,225
<i>Adjustments to remove:</i>	
capital grants to local authorities	-127,920
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	920,438
voted expenditure outside the budget	-1,077,480
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,581,246
resource consumption of non departmental public bodies	-9,123
unallocated resource provision	-
Other adjustments	7,950
Resource Budget Outturn (Budget)	5,413,336
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	3,031,201
Annually Managed Expenditure (AME)	2,382,135

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	87,952
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	2,651
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	99,461
capital grants to local authorities	127,820
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	22,212
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	340,096
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	338,700
Annually Managed Expenditure (AME)	1,396

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1

Helen Ghosh, Principal Accounting Officer and Permanent Head of Department

Helen Ghosh as the Principal Accounting Officer (PAO) and Acting Permanent Head of the Department for Environment, Food and Rural Affairs has personal responsibility for the proper presentation of the Department for Environment, Food and Rural Affairs' resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Department for Environment, Food and Rural Affairs.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well-being of rural and coastal communities and funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible.		
EU funding	905,372	-
Fees and charges to external customers	46,630	-
Other programme income	19,542	-
Sale of land and buildings	-	11,719
Total RfR 1	971,544 *	11,719 **
<i>of which: Administration budgets</i>	<i>52,119</i>	<i>-</i>

*Amount that may be applied as appropriations in aid in addition to the net total, arising from eligible expenditure on farm grants, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessels, EC Leader Programme and Sector Challenge Grants. Receipts resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccine relating to Brucellosis and Tuberculosis eradication, Receipts from fees and charges on Local Veterinary Inspectors' work, public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the Minister. Receipts in respect of the tide gauge network, work carried out by the Veterinary Laboratories Agency and NIAB Redundancy Fund. Recovery of shellfish enquiry expenses. Income from the provision of services to internal and external customers, including the secondment of staff and services to IBEA. Statutory receipts. Receipts from the sale or use of rights and assets. Rents from property. Receipts from the sale of information, including publications. Income from levies, licensing approvals, certification, inspections, registrations, supervision and extensification. Reimbursement of Defra expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credits. Receipts in respect of environment protection and research (ex-DETR). Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income from transfers, bulletins and for receipts for CAP market support and from European Community Institutions.

**Amount that may be applied as non-operating appropriations in aid arising from the sale of surplus land and buildings.

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Sugar and isoglucose production and storage levies ●	42,443	-
Forfeited securities ●	2,426	-
Administration ●	50	-
Single Payment CAP scheme	2,610,663	2,636,587
Total	2,655,582	2,636,587

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Environment, Food and Rural Affairs Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	12,238	2,253,666	777,535	3,031,201
<i>of which : Administration Budget</i>	<i>25,000</i>	<i>342,064</i>	<i>-</i>	<i>342,064</i>
Capital	-	218,423	120,277	338,700
Depreciation*	-	-107,771	-97,311	-205,082
Total	12,238	2,364,318	800,501	3,164,819

*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
983,263

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

Expenditure resting on the sole authority of the Appropriation Act

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

Sections	Service	£'000
A-D	Payments for Committees and Tribunals	58
	Funding to establish The Association of Commons Registration Officers	25

Grant in Aid to Non-Departmental Public Bodies in excess of £1 million

	£'000
Countryside Agency ♥	70,000
English Nature ♥	78,004
Environment Agency ♥	659,148
Food From Britain ♥	6,874
Royal Botanic Gardens, Kew ♥	24,899
National Forest Company	3,271
Consumer Council for Water ♥	3,300
Gangmasters Licensing Authority ♥	4,362

Forestry Commission

Introduction

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

RfR 1: To implement the programmes of the England Forestry Strategy

Increases:

Take up of near cash End Year Flexibility

1. Programme Costs
£2,496,000.00
Section A
To take up resource DEL end of year flexibility to meet private woodland grant payments and costs associated with efficiency initiatives.

Transfers from other government departments

1. Programme Costs
£838,000
Section A
To transfer £838,000 DEL from Department of Environment, Food and Rural Affairs to allow the Forestry Commission to administer the Farm Woodland Premium scheme.

Neutral Changes:

Increased spending offset by income

1. Operating Appropriations in Aid
£1,100,000
Section A
To offset expenditure on community forests.
2. Appropriations in Aid
£2,012,000
Sections A and C
Capital grant to the Forest Enterprise Public Corporation (Section C Non budget) offset by the appropriation in aid of a receipt (Section A DEL) from hard charging the Office of the Deputy Prime Minister for the reimbursement of expenditure incurred on the acquisition of land at Jeskyn's Farm.

2. As a result of these changes there is an increase in the net cash requirement of £3,334,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To implement the programmes of the England Forestry Strategy	3,334,000
Total additional net resource requirement	3,334,000
Additional net cash requirement	3,334,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Forestry Commission on:

RfR 1: To implement the programmes of the England Forestry Strategy

deliver the social, environmental and economic programmes of the England Forestry Strategy, 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 and associated non-cash items.

RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally

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 and associated non-cash items.

The Forestry Commission will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: To implement the programmes of the England Forestry Strategy					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Forestry Commission (England)	61,158	4,434	3,112	1,322	62,480
Non budget					
RfR 1 - C Forestry Commission (England)	-6,000	2,012	-	2,012	-3,988
Total RfR 1		6,446	3,112	3,334	
£000					
Capital and Cash	Present Provision	Change in Provision	New Provision		
Total Capital Expenditure	790	-	790		
Non-Operating A in A	-	-	-		
Net cash requirement	58,682	3,334	62,016		

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To implement the programmes of the England Forestry Strategy								
-	73,604	-6,000	67,604	3,112	64,492	40	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Forestry Commission (England)								
-	65,592	-	65,592	3,112	62,480	40	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central government spending</i>								
B Forestry Commission (England)								
-	6,000	-	6,000	-	6,000	-	-	
Non-budget								
C Forestry Commission (England)								
-	2,012	-6,000	-3,988	-	-3,988	-	-	
RfR 2: To take the lead in development and promotion of sustainable forest management and to support its achievement nationally								
-	16,357	1,100	17,457	-	17,457	750	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Forestry Commission (GB Core)								
-	16,357	1,100	17,457	-	17,457	750	-	
Total for Estimate:								
-	89,961	-4,900	85,061	3,112	81,949	790	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	78,615	3,334	81,949
Voted capital items			
Capital expenditure	790	-	790
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	790	-	790
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-20,586	-	-20,586
Depreciation	-1,070	-	-1,070
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	324	-	324
Increase(+)/decrease (-) in debtors	1,162	-	1,162
Increase(-)/decrease (+) in creditors	-553	-	-553
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-20,723	-	-20,723
Excess cash to be CFERd	-	-	-
Net cash requirement	58,682	3,334	62,016

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	-
RfR 2	-
Total Net Administration Costs	-
Net Programme Costs	
RfR 1	64,492
RfR 2	17,457
Total Net Programme costs	81,949
Total Net Operating Cost	81,949
<i>of which:</i>	
Net Resource Outturn	81,949
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	88,590

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	81,949
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	81,949
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	3,988
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	2,653
Resource Budget Outturn (Budget)	88,590
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	82,590
Annually Managed Expenditure (AME)	6,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	790
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-700
Capital Budget Outturn (Budget)	90
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	90
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Mr Paul Hill-Tout, Director England

Request for Resources 2 Mr Tim Rollinson, Director General of the Forestry Commission

Tim Rollinson, as the Principal Accounting Officer (PAO) of the Forestry Commission has personal responsibility for the proper presentation of the Forestry Commission's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, remains in general overall charge of the Forestry Commission.

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

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

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

	£'000	
	2005-06 Provision	
	Operating	Non
	A in A	operating
	<u>A in A</u>	<u>A in A</u>
RfR 1: To implement the programmes of the England Forestry Strategy		
Income from Department of Environment, Food and Rural Affairs	1,100	
Income from Office of Deputy Prime Minister	2,012	-
Total RfR 1	3,112 *	-
<i>of which: Administration budgets</i>	-	-

*Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from other government departments to cover an acquisition of land and the administration of the Farm Woodland Premium Scheme.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	1,322	79,937	2,653	82,590
<i>of which : Administration Budget</i>	-	-	-	-
Capital	-	790	-700	90
Depreciation*	-	-1,070	-	-1,070
Total	1,322	79,657	1,953	81,610

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

Office of Water Services

Introduction

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

RfR 1: Regulation of the Water Industry

Token increase

Machinery of government change

The new Consumer Council for Water was established with effect from 1 October 2005. The new body will be independent from OFWAT and will take over the consumer representation functions of WaterVoice and additional functions under the Water Act 2003.

This token Supplementary Estimate is required to transfer to the Department for Environment, Food and Rural Affairs budget provision of £3,300k operating costs and matching fee income for WaterVoice from the OFWAT budget with effect from 1 April 2005.

2. There is no change to the net cash requirement as a result of this Machinery of Government change .
3. Symbols are explained in the Introduction to this booklet.

Part I

		£
RfR 1: Regulation of the Water Industry	†	1,000
Total additional net resource requirement		1,000
Additional net cash requirement		-

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office of Water Services on:

RfR 1: Regulation of the Water Industry

Administrative and operational costs and the provision of customer representation and associated non-cash items

The **Office of Water Services** will account for this Estimate.

† Responsibility for consumer representation functions of Water Voice and additional functions under the Water Act 2003 were transferred to the new Consumer Council for Water, a non departmental body funded by the Department for Environment, Food and Rural Affairs, with effect from 1 October 2005. The change relating to the machinery of government transfer is a reduction in both gross spending and appropriations in aid of £3,300,000 with no impact on net resources or cash.

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: Regulation of the Water Industry					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Office of Water Services	1	-3,300	-3,301	1	2
Total RfR 1		-3,300	-3,301	1	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	300	-	300
Non-Operating A in A	-	-	-
Net cash requirement	507	-	507

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Regulation of the Water Industry								
11,401	-	-	11,401	11,399	2	300	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Office of Water Services								
11,401	-	-	11,401	11,399	2	300	-	
Total for Estimate:								
11,401	-	-	11,401	11,399	2	300	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	1	1	2
Voted capital items			
Capital expenditure	300	-	300
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	300	-	300
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	45	-	45
Depreciation	-447	-	-447
New provisions and adjustments to previous provisions	-140	-	-140
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-32	-	-32
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	680	-	680
Use of provisions	<u>100</u>	<u>-</u>	<u>100</u>
Total accruals to cash adjustments	206	-	206
Adjustment to remove token increase	-	-1	-1
Excess cash to be CFERd	-	-	-
Net cash requirement	507	-	507

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

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

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

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

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Philip Fletcher, Director General

Philip Fletcher, as the Principal Accounting Officer (PAO) of the Office of Water Services has personal responsibility for the proper presentation of the Office of Water Service's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Office of Water Services.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Regulation of the Water Industry		
Licence fees	11,399	-
Total RfR 1	11,399 *	-

*Amount that may be applied as appropriations in aid in addition to the net total, arising from the receipt of licence fees.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-	2	-	2
<i>of which : Administration Budget</i>	-	-1	-	-1
Capital	-	300	-	300
Depreciation*	-	-447	-	-447
Total	-	-145	-	-145

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	11,399

Department for Culture, Media and Sport

Introduction

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

RfR 1: Improving the quality of life through cultural and sporting activities

Increases:

Take up of End Year Flexibility

Resource (near cash)

1. Administration costs

£3,249,000

Subhead I 2 to meet ongoing commitments.

2. Programme costs

£6,408,000

of which £1,952,000 voted DEL and £4,456,000 Grant in Aid (and associated non voted resources) comprising Voted DEL:

£1,000,000 subhead W2 for Culture Online 2005-06 costs; £600,000 subhead F2 the Royal Parks for Live 8;

£187,000 subhead H2 for Audiovisual Eureka /Other Film Support; £90,000 subhead L2 research costs; and

£75,000 subhead I2 for Tote Sale

Grant in Aid:

£1,250,000 to subhead T3 for UK Film Council; £1,000,000 to subhead R3 for English Heritage;

£1,000,000 to subhead Q3 for Sport England; £750,000 to subhead O3 for the British Library;

£366,000 to subhead V3 to pay for a Contingencies Fund advance; and

£90,000 to subhead N3 for Regional Cultural Consortiums

Capital

3. £44,822,000

of which:

£32,500,000 is Capital Modernisation Fund carry forward comprising:

£12,000,000 Listed Places of Worship (Voted Subhead E3); £18,400,000 Community Club Development Fund

Grant in Aid (and associated non voted resources) subhead Q3; and £2,100,000 Picketts Lock Grant in Aid

(and associated non voted resources) Subhead Q3

£12,122,000 Capital End Year Flexibility comprising:

£460,000 Licensing Database subhead G7; £1,500,000 Departmental Administration, subhead I7; £4,500,000

Culture Online, subhead W7; £200,000 Sir John Soames Museum Grant in Aid (and associated non voted

resources) subhead O3; £1,500,000 Community Club Development Fund Grant in Aid (and associated non

voted resources) subhead Q3; £2,962,000 Historic Buildings and Monuments Grant in Aid (and associated non

voted resources) subhead R3; and £1,200,000 Film Council Grant in Aid (and associated non voted resources)

subhead T3

Transfers from Central Funds

Invest to Save Budget

1. £762,000

of which £77,000 to A2 and £685,000 to C3

Transfers from other government departments

1. From DfES

£1,650,000

£30,000 to B2 in respect of Creativity Review and £1,620,000 to O3 in respect of Strategic Commissioning

Introduction *(continued)*

2. From DfT
£4,000,000
to C3 in respect of Wembley development costs
3. From MOD
£93,000
to O3 for transfer of Pattern Room Funds
4. From DCA - Machinery of Government Change
£48,000
to I2 to fund the Cenotaph Ceremony
5. From ODPM
£30,000,000
To M3 for 2012 Olympic costs

Transfers from non-voted budgets

Departmental Unallocated Provision

£8,900,000

of which:

£900,000 to Voted subhead I2 Research, (£600,000) for the Participation Survey and (£300,000) for the Effectiveness and Capacity programme

£8,000,000 to Grant in Aid (and associated non voted resources), subhead T3 (£1,000,000) for the British film Institute and subhead V3 (£7,000,000) to Gaming Board of Great Britain

Other increases

Reserve Claim

£20,000

to R3 for start-up costs for Queen Mothers Memorial

Decreases:

Transfers to other government departments

1. To Cabinet Office
£69,000 from I1 for Protecting the Centre of Government

Other decreases

£10,000 from D2 to record the profit from the sale of property

Neutral changes

Capital to Resource transfer

Transfer of £980,000 from F7 Royal Parks capital to F2 Royal Parks resources

Increased spending offset by income

1. £20,000
I1 and I5 Central Administration increase in gross spending offset by income from ODPM for local PSA's

Introduction (*continued*)

2. £8,000
I1 and I5 Central Administration increase in gross spending offset by income from Access to Work scheme
3. £515,000
A2 and A5 Museums Galleries and Libraries increase in gross spending offset by income received in the course of business
4. £201,000
D2 and D5 Architecture and Historic Environment increase in gross spending offset by income received in the course of business
5. £3,010,000
D8 Increased capital receipts from the Sale of Property offset by increased expenditure on:
D7 (£860,000) for replacement of capital equipment, F7 (£150,000) for the Diana Memorial Fountain, and R3 Grant in Aid Capital (£2,000,000) for maintenance of the Royal Palaces.
6. £442,000
I2 and I5 Research, increase in gross spending offset by income from grant in aid
7. £546,000
K5 and V3 increase in gross spending offset by income from Gambling licensing and horseracing receipts
8. £5,092,000
M3 and M5 increase in gross spending offset by increased income
9. £1,500,000
J5 and U3 increase in lottery receipts offset by an increase in non budget Grant in Aid for the Lottery Commission

Transfers within the RfR

1. £685,000 from I1 to A2 in respect of EU Presidency Costs
2. £300,000 from I1 to C3 in respect of the School Sports Offer
3. £150,000 from I1 to G2 in respect of the Alcohol Licensing Campaign.
4. £250,000 from I1 to H2 in respect of DSO Communications
5. £250,000 from I1 to H3 in respect of Gaelic TV
6. £1,244,000 from I1 to H2 of which £500,000 for the Participation Survey, £500,000 for better regulations and £244,000 to cover a shortfall
7. £250,000 from I1 to O3 for British Museum reform
8. £150,000 from A2 to O3 to correct Main Estimate allocation
9. £300,000 from O3 to A2 in respect of the European Capital of Culture
10. £4,000 from I1 to B2 to correctly charge expenditure to programme from administration costs
11. £10,000 from I1 to A2 for the Improvement and Development Agency (IDeA)
12. £95,000 transfer to A2 for the IDeA comprising £30,000 from O3 (Museums, Libraries and Archive Council) £50,000 from P3 (Arts Council) and £15,000 from R3 (Historic Buildings and Monuments Commission).

Introduction (*continued*)

13. £500,000 to B2 from P3 for administering the Own Art scheme
14. £38,000 from D2 to R3 English Heritage to correct Main Estimate allocation.
15. £263,000 to O3 (Museums, Libraries and Archive Council) from I2 for Cultural property from CPU and central budgets
16. £120,000 to N3 (Regional Cultural Consortiums) from I2
17. £800,000 to I2 for the Participation Survery, comprising £400,000 from P3 (Arts Council for England), £100,000) from O3 (Museums, Libraries and Archive Council) and £300,000 from O3 (Museums and

RfR2: Broadening access to a rich and varied cultural and sporting life through home broadcasting**Increases:**

£260,901,000 to Home Broadcasting to reflect a revised forecast of spending.

2. As a result of these changes there is an increase in the net cash requirement of £360,774,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Improving the quality of life through cultural and sporting activities	†	96,393,000
	††	
RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting		260,901,000
Total additional net resource requirement		357,294,000
Additional net cash requirement	††	360,774,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for Culture, Media and Sport on:

RfR 1: Improving the quality of life through cultural and sporting activities

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services; to the Arts and Sports Councils and for other arts and sports bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, national heritage and architecture, and VAT grant scheme for memorials; listed places of worship scheme; promotion of tourism; support to film bodies and projects; sponsorship of the music industry; the Welsh Fourth Channel Authority, the Office of Communications and certain broadcasting services and schemes; alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services and Royal funerals; the Queen's Golden Jubilee; costs to support delivery of the Olympic Games 2012; transfer of pension values of certain bodies; expenses of privatising the Tote; and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting

Payments to the British Broadcasting Corporation for home broadcasting; and associated non-cash items.

The Department for Culture, Media and Sport will account for this Estimate.

† £5,460,000 has been advanced from the Contingencies Fund to provide cash in respect of £5,092,000 resources supporting the service provided for under subhead M3 and £368,000 resources under subhead V3. A corresponding cash amount is required to enable repayment to be made to the Fund.

†† The Cenotaph Ceremony function was transferred from the Department for Constitutional Affairs on 1 April 2005. The changes relating to this machinery of government transfer are that the net resource and net cash requirements are both increased by £48,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Improving the quality of life through cultural and sporting activities					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Museums, galleries and libraries	150	1,532	515	1,017	1,167
RfR 1 - B Arts	841	534	-	534	1,375
RfR 1 - C Sport	11,500	4,985	-	4,985	16,485
RfR 1 - D Architecture and the Historic Environment	8,176	153	201	-48	8,128
RfR 1 - E Listed places of worship scheme	250	12,000	-	12,000	12,250
RfR 1 - F The Royal Parks	25,212	1,580	-	1,580	26,792
RfR 1 - G Tourism	1,963	150	-	150	2,113
RfR 1 - H Broadcasting and media	93,825	687	-	687	94,512
RfR 1 - I Administration, Research and other surveys	49,769	3,281	470	2,811	52,580
RfR 1 - J National Lottery Commission	-4,941	-	1,500	-1,500	-6,441
RfR 1 - K Gambling, licensing and horseracing	-1,835	-	546	-546	-2,381
RfR 1 - M Olympics	4,300	35,092	5,092	30,000	34,300
Non-budget					
RfR 1 - N Regional Cultural Consortiums	1,600	210	-	210	1,810
RfR 1 - O Museums, galleries and libraries	445,001	2,596	-	2,596	447,597
RfR 1 - P Arts	410,455	-950	-	-950	409,505
RfR 1 - Q Sport	114,397	23,000	-	23,000	137,397
RfR 1 - R Architecture and the Historic Environment	162,620	6,005	-	6,005	168,625
RfR 1 - T Broadcasting and media	27,010	3,450	-	3,450	30,460
RfR 1 - U National Lottery Commission	4,942	1,500	-	1,500	6,442
RfR 1 - V Gambling, licensing and horseracing	4,220	7,912	-	7,912	12,132
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - W Culture Online	-	1,000	-	1,000	1,000
Total RfR 1		104,717	8,324	96,393	
RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A Home broadcasting	2,399,099	260,901	-	260,901	2,660,000
Total RfR 2		260,901	-	260,901	
Total Changes to RfRs		365,618	8,324	357,294	

Part II: Changes proposed (*continued*)

	Present Provision	Change in Provision	£'000 New Provision
Capital and Cash			
Total Capital Expenditure	7,059	6,490	13,549
Non-Operating A in A	-	3,020	3,020
Net cash requirement	3,809,596	360,774	4,170,370

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Improving the quality of life through cultural and sporting activities								
51,158	134,611	1,343,698	1,529,467	21,118	1,508,349	13,549	3,020	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Museums, galleries and libraries								
-	1,682	-	1,682	515	1,167	-	-	
B Arts								
-	1,377	-	1,377	2	1,375	200	-	
C Sport								
-	500	15,985	16,485	-	16,485	-	-	
D Architecture and the Historic Environment								
-	1,109	7,220	8,329	201	8,128	860	3,020	
E Listed places of worship scheme								
-	250	12,000	12,250	-	12,250	-	-	
F The Royal Parks								
-	30,648	-	30,648	3,856	26,792	1,050	-	
G Tourism								
-	213	1,900	2,113	-	2,113	862	-	
H Broadcasting and media								
-	93,779	733	94,512	-	94,512	-	-	
I Administration, Research and other surveys								
51,158	4,052	-	55,210	2,630	52,580	6,077	-	
J National Lottery Commission								
-	-	-	-	6,441	-6,441	-	-	
K Gambling, licensing and horseracing								
-	-	-	-	2,381	-2,381	-	-	
L Queen's Golden Jubilee								
-	1	-	1	-	1	-	-	
M Olympics								
-	-	39,392	39,392	5,092	34,300	-	-	
Non-budget								
N Regional Cultural Consortiums								
-	-	1,810	1,810	-	1,810	-	-	
O Museums, galleries and libraries								
-	-	447,597	447,597	-	447,597	-	-	
P Arts								
-	-	409,505	409,505	-	409,505	-	-	
Q Sport								
-	-	137,397	137,397	-	137,397	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000	
	1	2	3	4	5	6	7	8	
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
R	Architecture and the Historic Environment	-	-	168,625	168,625	-	168,625	-	-
S	Tourism	-	-	52,500	52,500	-	52,500	-	-
T	Broadcasting and media	-	-	30,460	30,460	-	30,460	-	-
U	National Lottery Commission	-	-	6,442	6,442	-	6,442	-	-
V	Gambling, licensing and horseracing	-	-	12,132	12,132	-	12,132	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
W	Culture On Line	-	1,000	-	1,000	-	1,000	4,500	-
RfR 2: Broadening access to a rich and varied cultural and sporting life through home broadcasting									
		-	-	2,660,000	2,660,000	-	2,660,000	-	-
Non-budget									
A	Home broadcasting	-		2,660,000	2,660,000	-	2,660,000	-	-
Total for Estimate:									
	51,158	134,611	4,003,698	4,189,467	21,118	4,168,349	13,549	3,020	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	3,811,055	357,294	4,168,349
Voted capital items			
Capital expenditure	7,059	6,490	13,549
<i>Less: non-operating A in A</i>	<u>-</u>	<u>3,020</u>	<u>3,020</u>
Total net voted capital	7,059	3,470	10,529
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,580	-	-2,580
Depreciation	-5,942	-	-5,942
New provisions and adjustments to previous provisions	4	-	4
Profit/loss on sale of assets	-	10	10
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-8,518	10	-8,508
Excess cash to be CFERd	-	-	-
Net cash requirement	3,809,596	360,774	4,170,370

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	2,400,095	<i>2,400,095</i>	2,660,160	<i>2,660,160</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	2,400,095	<i>2,400,095</i>	2,660,160	<i>2,660,160</i>

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR1	48,970	
RfR2	-	
	<hr/>	
Total Net Administration Costs		48,970
Net Programme Costs		
RfR1	1,459,379	
RfR2	-160	
	<hr/>	
Total Net Programme costs		1,459,219
Total Net Operating Cost		1,508,189
<i>of which:</i>		
Net Resource Outturn		4,168,349
CFERs		-2,660,160
Non-voted expenditure		-
Resource Budget Outturn		2,815,641

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	4,168,349
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-2,660,160
Other adjustments	-
Net Operating Costs (Accounts)	1,508,189
<i>Adjustments to remove:</i>	
capital grants to local authorities	-61,000
capital grants financed from the Capital Modernisation Fund	-12,000
European Union income and related adjustments	31,000
voted expenditure outside the budget	-2,660,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,660,160
resource consumption of non departmental public bodies	86,436
unallocated resource provision	5,193
Other adjustments	1,257,663
Resource Budget Outturn (Budget)	2,815,641
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,557,978
Annually Managed Expenditure (AME)	1,257,663

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	10,529
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	10
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	87,007
capital grants to local authorities	61,000
capital grants financed by the Capital Modernisation Fund	12,000
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	300
Other adjustments	452,337
Capital Budget Outturn (Budget)	623,183
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	170,846
Annually Managed Expenditure (AME)	452,337

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sue Street, Principal Accounting Officer and Permanent Head of the Department
Request for Resources 2	Sue Street, Principal Accounting Officer and Permanent Head of the Department

Sue Street as the Principal Accounting Officer (PAO) of the Department for Culture, Media and Sport has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Department for Culture, Media and Sport.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Improving the quality of life through cultural and sporting activities		
Income from fees and charges	3,856	-
Income from licences	2,381	-
Income from other sales	203	3,020
Recovery of costs	14,678	-
Total RfR1	21,118 *	3,020 **

of which: Administration Budgets

*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs for repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from ODPM for local PSA administration costs; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; recovery of costs and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012.

**Amount that may be applied as non-operating appropriations in aid arising from the sale of buildings

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000	
	2005-06 provision	
	Income	Receipts
Licence fee receipts (BBC and FLA)	2,660,160	2,660,160
Total	2,660,160	2,660,160

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Culture, Media and Sport Departmental Expenditure Limit will change as follows:

	New DEL			£'000
	Change	Voted	Non-voted	Total
Resource	19,111	199,881	1,358,097	1,557,978
<i>of which : Administration Budget</i>	-298	48,970	-	48,970
Capital	73,862	83,539	87,307	170,846
Depreciation*	-2,000	-5,942	-92,613	-98,555
Total	90,973	277,478	1,352,791	1,630,269

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	24,138

Expenditure resting on the sole authority of the Appropriation Act

The following subheads in RfR 1 contain provision sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act:

Subhead	Service		£'000
C3	Chess	■	60
D3	Chatham Historic Dockyard Trust	■	300
L3	Queen's Golden Jubilee	■	1
O3	Geffrye Museum	■	1,431
O3	Horinman Museum and Gardens	■	3,682
O3	Museum of Science and Industry in Manchester	■	3,740
O3	Museums, Libraries and Archives Council	■	14,114
P3	Arts Council of England	■	409,505
R3	Commission for Architecture and the Built Environment	■	4,690
T3	UK Film Council	■	26,860

Department for Work and Pensions

Introduction

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

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Increases:

Transfers from non-voted spending

- 1 Administration
Section A
£25,000,000
Drawdown from the Welfare Modernisation Fund for Child Support Reform

Other increases

- 1 Administration
Section A
£7,683,000
A transfer from RfR5 due to the delegation of IS/IT budgets for PC support

Neutral Changes:

Changes in spending offset by changes in income

- 1 Administration
Section A
£10,000
An increase in forecast appropriations in aid leading to an equivalent increase in administration expenditure

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Increases:

Take up of End Year Flexibility

- 1 Other Current and Capital
Sections A and B
£140,000,000 (near cash)
Additional Capital spending in Section A of £60,000,000 by Job Centre Plus, (£22,716,000 resource End Year Flexibility being used as capital) and additional spending of £80,000,000 in Section B on Employment Programmes

Transfers from non-voted spending

- 1 Administration
Section A
£1,500,000
A drawdown from the Departmental Unallocated Provision for Working Age Client Group
- 2 Administration
Section A
£30,000,000

Introduction (*continued*)

A drawdown from the Welfare Modernisation Fund for additional spending related to the Customer Management System

3 Administration

Section A

£70,000,000

A drawdown from the Employment Development Fund in connection with Jobcentre Plus roll out

Transfers from other Government Departments

1 Grants

Section K

£600,000

A transfer from the Scottish Executive for the costs of administration subsidy to Local Authorities

Other increases

1 Administration

Section A

£750,000

A transfer to Job Centre Plus from RfR5 to meet additional charges in respect of Securitas services

2 Administration

Section A

£51,965,000

A transfer from RfR5 due to the delegation of IS/IT budgets for PC support

3 Administration

Section A

£3,143,000

A transfer from RfR5 due to a movement of staff from Information Analysis Division

4 Administration

Section A

£277,000

A transfer from RfR3 for Extended Working Lives division

5 Grants

Section B

£2,939,000

A successful bid from the Invest to Save Budget

6 Administration

Section A

£35,000

A transfer from RfR5 due to a movement of staff from Group Finance

7 Other Current

Section B

£4,500,000

A transfer from RfR4 due to a realignment of budgets

8 Other Current

Section B

£6,000,000

A transfer from European Regional Development Fund

Introduction (*continued*)

Decreases:

- 1 Administration
Section A
£45,000
A transfer to RfR5 HR Secondments Team in respect of Assistant Labour Attache costs
- 2 Administration
Section A
£16,000
A transfer to RfR5 HR Secondments Team due to a staff movement
- 3 Administration
Section A
£1,426,000
A transfer to RfR5 in connection with the Core Care contract
- 4 Administration
Section A
£1,004,000
A transfer to RfR3 for Viewpoint and Corporate Customer Liaison
- 5 Other Current
Section B
£200,000
A transfer to RfR4 due to a reallocation of resources
- 6 Other Current
Section B
£119,000
A transfer to RfR4 Disability Rights Commission grant in aid due to a reallocation of resources
- 7 Grants
Section K
£11,000,000
A transfer of funding to European Regional Development Fund
- 8 Non-budget
Section AC
£13,167,000
An increase in European Social Fund appropriations in aid of £13,167,000 to match increased expenditure of £13,163,000 leading to an overall reduction of £4,000.

Neutral changes:

Changes within the RfR

- 1 Other Current and Grants
Sections K and B
£7,700,000
A transfer from Performance Standards to Working Age due to a realignment of housing benefit budgets
- 2 Other Current
Sections C and B
£1,681,000
A transfer from Health and Safety Executive to Employment programmes due to a realignment of budgets

Introduction (*continued*)

- 3 Grants
Sections H and K
£40,649,000
A transfer of funding between Housing Benefit and European Social Fund
- 4 Other Current and Grants
Sections B and H
£11,486,000
A transfer of funding between European Social Fund and Employment Programmes
- 5 Non-budget
Section AC
£32,700,000
An increase for a capital charge on EC debtors
- 6 Other Current and Grants
Section A
£562,000
A move of Analogous Industrial Injuries expenditure from Other Current to Grants
- 7 Grants
Sections R and Z
£250,000,000
A transfer from Income Support to Rent Rebates due to revised forecasts of expenditure
- 8 Capital
Section E
£5,001,000
A reduction in non-operating appropriations in aid due to the removal of a temporary loan facility to Remploy
- 9 Other Current
Sections B and H
£16,000,000
A transfer of funding between European Social Fund and Employment Programmes

Changes in spending offset by changes in income

- 1 Other Current
Section B
£345,000
A decrease in forecast appropriations in aid leading to a decrease in Other Current expenditure in Section B
- 2 Administration
Section C
£24,000
An increase in forecast appropriations in aid leading to an increase in administration expenditure in Section C
- 3 Grants
Section K
£5,000
An increase in forecast appropriations in aid leading to an increase in grants

Introduction (*continued*)

- 4 Administration, Other Current and Grants
 Section A
 £19,583,000
 An increase in forecast appropriations in aid leading to an increase in Section A of £20,659,000 administration expenditure, a decrease of £2,193,000 in Other Current, and an increase of £1,117,000 in Grants

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Increases:

Transfers from non-voted spending

- 1 Administration
 Section A
 £25,000,000
 A drawdown from the Departmental Unallocated Provision to fund pressures within the Pensions Service
- 2 Administration
 Section A
 £98,000,000
 A drawdown from the Welfare Modernisation Fund for additional expenditure of £69,000,000 administration and £29,000,000 Capital on the Pensions Transformation Project

Other increases

- 1 Administration
 Section A
 £10,434,000
 A transfer from RfR5 due to the delegation of IS/IT budgets for PC support
- 2 Administration
 Section A
 £179,000
 A transfer from RfR5 to The Pension Service due to the movement of External Supply Group commercial staff
- 3 Administration
 Section A
 £1,004,000
 A transfer from RfR2 for Viewpoint and Corporate Customer Liaison
- 4 Administration
 Section A
 £5,000,000
 A drawdown from the Reserve for the costs of processing the age related payments
- 5 Grants
 Section A
 £189,000
 A successful bid from the Invest to Save Budget
- 6 Administration and Capital
 Section A
 £2,285,000
 A transfer of £2,265,000 (administration) and £20,000 (Capital) from RfR5 because of a transfer of reporting responsibility for the Pensions Ombudsman and the SSAC

Introduction (*continued*)

- 7 Non-budget
Section E
£88,468,000
A revised forecast of Social Fund expenditure
- 8 Administration
Section A
£1,300,000
A transfer from RfR5 of the Identity and Access Management project to Pensions

Decreases:

- 1 Administration
Section A
£277,000
A transfer to RfR2 for Extended Working Lives Division
- 2 Other Current
Section A
£21,000,000
The movement of the Financial Assistance Scheme into non-voted expenditure
- 3 Administration
Section A
£570,000
A transfer to RfR5 for the postage costs of the Pension Credit application pack

Neutral Changes:

Changes in spending offset by changes in income

- 1 Administration
Section A
£416,000
A decrease in forecast appropriations in aid leading to an equivalent decrease in administration expenditure

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Increases:

Other increases

- 1 Administration
Section A
£4,535,000
A transfer from RfR5 due to the delegation of IS/IT budgets for PC support
- 2 Administration
Section A
£247,000
A transfer from RfR5 to Disability and Carer Services due to a movement of staff
- 3 Non-budget
Section H
£4,200,000
An increase in the Disability Rights Commission grant in aid

Introduction (*continued*)

4 Grants
Section B
£200,000
A transfer from RfR2 due to a reallocation of resources

5 Grants
Section H
£119,000
A transfer from RfR2 due to a reallocation of resources

Decreases:

Transfer to other Government Department

1 Administration
Section A
£145,000
A transfer to the Ministry of Defence for the Veterans Agency postal budget

Other decreases

1 Administration
Section A
£52,000
A transfer to RfR5 for the non-staff element of the debt management transfer

2 Other Current
Section A
£4,500,000
A transfer to RfR2 due to a realignment of budgets

Neutral changes:

Changes in spending offset by changes in income

1 Administration, Other Current and Grants
Sections A and B
£243,000
An increase of £243,000 in forecast appropriations in aid leading to an increase in administration costs of £342,000 in Section A and an increase in Other Current of £61,000 in Section A, and a decrease in Grants of £160,000 in Section B

RfR 5: Corporate contracts and support services

Increases:

Take up of End Year Flexibility

1 Other Current
Section A
20,000,000 (non-cash)
An increase in the Early Release provision

Introduction (*continued*)

Transfers from non-voted spending

- 1 Administration
Section A
£26,675,000
A drawdown from the Departmental Unallocated Provision to fund additional expenditure in RfR5
- 2 Capital
Section A
£7,000,000
A drawdown from the Departmental Unallocated Provision to fund additional Capital expenditure
- 3 Administration
Section A
£47,000,000
A drawdown from the Welfare Modernisation Fund for additional expenditure on the Payment Modernisation Project, the Resource Management Project and the Debt Management Project

Other increases

- 1 Administration
£25,000,000
Section A
A drawdown from the Reserve to meet the cost of additional Post Office Card Account customers
- 2 Administration
Section A
£45,000
A transfer from RfR2 in respect of Assistant Labour Attache costs
- 3 Administration
Section A
£16,000
A transfer from Work, Welfare and Equality Group due to a staff movement
- 4 Administration
Section A
£52,000
A transfer from RfR4 for the non-staff element of the debt management transfer
- 5 Administration
Section A
£1,426,000
A transfer from RfR2 in connection with the Core Care contract
- 6 Administration
Section A
£10,000,000
A drawdown to meet the administration costs of measures to promote Financial Inclusion
- 7 Administration
Section A
£570,000
A transfer from RfR3 for the postage costs of the Pension Credit application pack

Introduction (*continued*)

Decreases:

Other decreases

- 1 Administration
Section A
£750,000
A transfer from Group Finance to RfR2 Job Centre Plus to meet additional charges in respect of Securitas services
- 2 Administration
Section A
£4,535,000
A transfer from Programme and Systems Delivery to RfR4 due to the delegation of IS/IT budgets for PC support
- 3 Administration
Section A
£51,965,000
A transfer from Programme and Systems Delivery to RfR2 due to the delegation of IS/IT budgets for PC support
- 4 Administration
Section A
£10,434,000
A transfer from Programme and Systems Delivery to RfR3 due to the delegation of IS/IT budgets for PC support
- 5 Administration
Section A
£7,683,000
A transfer from Programme and Systems Delivery to RfR1 due to the delegation of IS/IT budgets for PC support
- 6 Administration
Section A
£3,143,000
A transfer from Information Analysis Division to Work, Welfare and Equality Group due to a movement of staff
- 7 Administration
Section A
£247,000
A transfer from Information Analysis Division to Disability and Carer Services due to a movement of staff
- 8 Administration
Section A
£179,000
A transfer of External Supply Group commercial staff to RfR3
- 9 Administration and Capital
Section A
£2,285,000
A transfer of £2,265,000 (administration) and £20,000 (Capital) to RfR3 because of a transfer of reporting responsibility for the Pensions Ombudsman and the SSAC

Introduction (*continued*)

- 10 Administration
Section A
£1,300,000
A transfer from Identity and Access Management project to Pensions

- 11 Administration
Section A
£35,000
A transfer to RfR2 due to a movement of staff from Group Finance

Neutral changes:Changes in spending offset by changes in income

- 1 Capital and administration
Section A
£4,061,000
An increase in forecast non-operating appropriations in aid due to Capital sales leading to an increase in Capital spending of £2,561,000 (book value) and an increase in administration spending of £1,500,000 (profit on disposal)

 - 2 Administration and Other Current
Section A
£960,000
A reduction in appropriations in aid leading to a reduction in administration costs of £1,216,000 and an increase in Other Current of £256,000
- 2. As a result of these changes there is an increase in the net cash requirement of £715,759,000

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

Part I

£

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	32,683,000
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	257,432,000
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	180,992,000
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	4,604,000
RfR 5: Corporate contracts and support services	48,248,000
Total additional net resource requirement	523,959,000
Additional net cash requirement	715,759,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Department for Work and Pensions on:

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

The administration costs of the child support system; and associated non-cash items.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

The administration costs and benefit payments of Severe Disablement Allowance; pensions gratuities and sundry allowances for disablement and specified deaths arising from industrial causes; Income Support for the under 60's; Jobseeker's Allowance (contribution-based); Jobseeker's Allowance (income based); Analogous Industrial Injuries Scheme; earnings top up pilot; job grant; back to work bonus; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; Family Credit; the provision of training and assessment programmes for adults; the promotion of enterprise and the encouragement of self employment; help for unemployed people and disability rights. Measures to help people, particularly those on welfare and at a disadvantage in the labour market, into work; the administration of, and where appropriate the payment of allowances to people participating in, the Welfare to Work programme, the Job Transition Service and other employment programmes, pilot programmes and new measures to help people into work; temporary subsidies to employers; grants to voluntary bodies and local authorities towards the provision of supported employment; awards for achievements in overcoming barriers to employment; a Grant in Aid and the provision of a temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity and associated non-cash items. Subsidies to housing, billing, levying and local authorities towards the costs incurred in administering the Housing Benefit and/or Council Tax Benefit schemes; rent rebate, rent allowance; Council Tax Benefit; payments to local authorities in respect of anti-fraud and similar administrative measures; discretionary housing payments; sums payable for incentive payments in respect of Housing Benefit under occupation schemes; sums payable to third party providers of services to local authorities; compensation for sufferers, or their dependants, of certain dust related diseases; the Rent Service Agency; the Health and Safety Commission (HSC); grants to further health and safety in the workplace; the administration costs of the Children's Client Group and the Disabled People Client Group; payments for education; training and employment projects assisted by the European Union and refunds to the European Union, the UK subscription to the International Labour Organisation, other international educational programmes; payments to local authorities in respect of Local Area Agreements; measures to promote financial inclusion and associated non-cash items.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's

The administration costs and benefit payments of non-contributory retirement pensions; Christmas Bonus payments to pensioners; Age-related payments 2005; One-off 70+ payment to Pensioners; Income Support for the elderly; Pension Credit; payments made to the BBC in respect of over 75's free TV licence scheme; expenditure to assist people make plans for their retirement; research into pensions; Private Pensions Industry regulatory work; Grant in Aid for the administration costs of Better Government for Older People; payments in respect of the Pension Protection

Part I (*continued*)

Fund; expenditure in respect of the Pensions Regulator; the Financial Assistance Scheme; Grant in Aid to the Centre for Policy on Ageing; Grant in Aid to the Pensions Advisory Service; sums payable to fund payments and loans made by the Social Fund; the administration of pilot programmes and new measures to help improve independence and social inclusion of older people; grants to voluntary bodies and local authorities towards provision for the needs of older people and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

The administration costs and benefit payments of Attendance Allowance; Disability Living Allowance; Disability Working Allowance; Carer's Allowance; Vaccine Damage; Grants in Aid to the Disability Rights Commission, Motability, Independent Living Fund and associated non-cash items.

RfR 5: Corporate contracts and support services

Corporate administration; the costs associated with the Appeals Service; measures to promote financial inclusion and associated non-cash items.

The **Department for Work and Pensions** will account for this Estimate.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	308,947	32,693	10	32,683	341,630
Total RfR 1		32,693	10	32,683	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 2 - A Administration	1,350,152	174,762	19,583	155,179	1,505,331
RfR 2 - B Employment Programmes	861,234	129,642	-345	129,987	991,221
RfR 2 - C Health and Safety Executive	233,000	-1,657	24	-1,681	231,319
RfR 2 - D Health and Safety Laboratory	-	-	-	-	-
RfR 2 - E Capital Grants	8,476	-	-	-	8,476
RfR 2 - F The Rent Service Executive Agency	43,397	-	-	-	43,397
RfR 2 - G European Social Fund	82,936	-	-	-	82,936
RfR 2 - H European Social Fund payments in advance of receipts	336,479	13,163	-	13,163	349,642
<i>Support for Local Authorities</i>					
RfR 2 - I Employment Programmes	37,047	-	-	-	37,047
RfR 2 - J Challenge funding and similar administrative measures - Local Authorities	163,464	-	-	-	163,464
RfR 2 - K Housing benefit and council tax benefit administration grants	518,236	-58,744	5	-58,749	459,487
RfR 2 - L Third Party providers	5,000	-	-	-	5,000
RfR 2 - M Capital grants to Local Authorities	2,895	-	-	-	2,895
RfR 2 - N European Social Fund	10,367	-	-	-	10,367
RfR 2 - O European Social Fund payments in advance of receipts	72,569	-	-	-	72,569
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 2 - P Severe Disablement Allowance	876,704	-	-	-	876,704
RfR 2 - Q Industrial injury benefits	800,373	-	-	-	800,373

Part II: Changes proposed (continued)

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 2 - R Income support (under 60 years of age)	9,380,069	-250,000	-	-250,000	9,130,069
RfR 2 - S Jobseeker's allowance (income based)	1,663,512	-	-	-	1,663,512
RfR 2 - T Jobseeker's allowance (contribution based)	-	-	-	-	-
RfR 2 - U Job Grant	35,436	-	-	-	35,436
RfR 2 - V Employment Allowances	92,988	-	-	-	92,988
RfR 2 - W Housing and Council tax benefit capital charge	3,277	-	-	-	3,277
RfR 2 - X Non-continuing benefits debt activity	35	-	-	-	35
Support for Local Authorities					
RfR 2 - Y Housing benefit and council tax benefit subsidies	12,022,789	-	-	-	12,022,789
RfR 2 - Z Rent rebates	4,824,387	250,000	-	250,000	5,074,387
RfR 2 - AA Discretionary housing payments	20,000	-	-	-	20,000
Non-budget					
RfR 2 - AB Statutory benefits (SSP and SMP)	1,316,538	-	-	-	1,316,538
RfR 2 - AC European Social Fund	-502,347	32,700	13,167	19,533	-482,814
Total RfR 2		289,866	32,434	257,432	
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 3 - A Administration	72,896	92,108	-416	92,524	165,420
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 3 - B Pension benefits	1,074,059	-	-	-	1,074,059
RfR 3 - C Income support for the elderly and Pension Credit	6,593,187	-	-	-	6,593,187
RfR 3 - D TV licences for the over 75s	451,016	-	-	-	451,016
Non-budget					
RfR 3 - E Payments to the Social Fund	2,233,179	88,468	-	88,468	2,321,647
RfR 3 - F Pensions Grants in Aid	48,303	-	-	-	48,303
Total RfR 3		180,576	-416	180,992	

Part II: Changes proposed (*continued*)

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 4 - A Administration	190,554	488	403	85	190,639
RfR 4 - B Motability administration	2,900	40	-160	200	3,100
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
RfR 4 - C Attendance Allowance	3,901,178	-	-	-	3,901,178
RfR 4 - D Disability Living Allowance	8,648,508	-	-	-	8,648,508
RfR 4 - E Carer's Allowance	1,193,773	-	-	-	1,193,773
RfR 4 - F Vaccine Damage Payments	500	-	-	-	500
RfR 4 - G Grants to independent bodies	234,483	-	-	-	234,483
Non-budget					
RfR 4 - H Disability Rights Commission (Grant in Aid)	16,919	4,319	-	4,319	21,238
Total RfR 4		4,847	243	4,604	
RfR 5: Corporate contracts and support services					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 5 - A Administration	2,086,156	47,288	-960	48,248	2,134,404
Total RfR 5		47,288	-960	48,248	
Total Changes to RfRs		555,270	31,311	523,959	

	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	305,435	93,560	398,995
Non-Operating A in A	8,074	-940	7,134
Net cash requirement	61,851,690	715,759	62,567,449

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years								
341,824	-	-	341,824	194	341,630	14,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
341,824	-	-	341,824	194	341,630	14,000	-	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need								
2,703,999	924,391	33,129,627	36,758,017	2,241,572	34,516,445	276,402	873	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
2,402,719	7,883	36,980	2,447,582	942,251	1,505,331	264,302	-	
B Employment Programmes								
2,993	850,289	137,939	991,221	-	991,221	-	-	
C Health and Safety Executive								
227,343	58,319	-	285,662	54,343	231,319	6,502	475	
D Health and Safety Laboratory								
27,547	5,351	-	32,898	32,898	-	4,598	398	
E Capital Grants								
-	2,549	5,927	8,476	-	8,476	-	-	
F The Rent Service Executive Agency								
43,397	-	-	43,397	-	43,397	1,000	-	
G European Social Fund								
-	-	82,936	82,936	-	82,936	-	-	
H European Social Fund payments in advance of receipts								
-	-	349,642	349,642	-	349,642	-	-	
<i>Support for Local Authorities</i>								
I Employment Programmes								
-	-	37,047	37,047	-	37,047	-	-	
J Challenge funding and similar administrative measures - Local Authorities								
-	-	163,464	163,464	-	163,464	-	-	
K Housing benefit and council tax benefit administration grants								
-	-	459,492	459,492	5	459,487	-	-	
L Third Party providers								
-	-	5,000	5,000	-	5,000	-	-	
M Capital grants to Local Authorities								
-	-	2,895	2,895	-	2,895	-	-	
N European Social Fund								
-	-	10,367	10,367	-	10,367	-	-	
O European Social Fund payments in advance of receipts								
-	-	72,569	72,569	-	72,569	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
P Severe Disablement Allowance								
-	-	876,704	876,704	-	876,704	-	-	

Part II: Revised subhead detail including additional provision

		Resources				Capital		£'000
	1	2	3	4	5	6	7	8
	Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
Q	Industrial injury benefits	-	800,373	800,373	-	800,373	-	-
R	Income support (under 60 years of age)	-	9,337,265	9,337,265	207,196	9,130,069	-	-
S	Jobseeker's allowance (income based)	-	1,663,512	1,663,512	-	1,663,512	-	-
T	Jobseeker's allowance (contribution based)	-	489,243	489,243	489,243	-	-	-
U	Job Grant	-	35,436	35,436	-	35,436	-	-
V	Employment Allowances	-	92,988	92,988	-	92,988	-	-
W	Housing and Council tax benefit capital charge	-	3,277	3,277	-	3,277	-	-
X	Non-continuing benefits debt activity	-	35	35	-	35	-	-
Support for Local Authorities								
Y	Housing benefit and council tax benefit subsidies	-	12,022,829	12,022,829	40	12,022,789	-	-
Z	Rent rebates	-	5,074,387	5,074,387	-	5,074,387	-	-
AA	Discretionary housing payments	-	20,000	20,000	-	20,000	-	-
Non-budget								
AB	Statutory benefits (SSP and SMP)	-	1,316,620	1,316,620	82	1,316,538	-	-
AC	European Social Fund	-	32,700	32,700	515,514	-482,814	-	-
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners								
	458,816	3,689	10,488,401	10,950,906	297,274	10,653,632	85,077	-
Spending in Departmental Expenditure Limits (DEL)								
Central Government spending								
A	Administration	458,816	3,689	189	462,694	297,274	165,420	85,077
Spending in Annually Managed Expenditure (AME)								
Central Government spending								
B	Pension benefits	-	1,074,059	1,074,059	-	1,074,059	-	-
C	Income support for the elderly and Pension Credit	-	6,593,187	6,593,187	-	6,593,187	-	-
D	TV licences for the over 75s	-	451,016	451,016	-	451,016	-	-
Non-budget								
E	Payments to the Social Fund	-	2,321,647	2,321,647	-	2,321,647	-	-
F	Pensions Grants in Aid	-	48,303	48,303	-	48,303	-	-

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society								
191,396	61	14,005,280	14,196,737	3,318	14,193,419	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration							
191,396	61	-	191,457	818	190,639	-	-	
B	Motability administration							
-	-	3,100	3,100	-	3,100	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C	Attendance Allowance							
-	-	3,901,178	3,901,178	-	3,901,178	-	-	
D	Disability Living Allowance							
-	-	8,648,508	8,648,508	-	8,648,508	-	-	
E	Carer's Allowance							
-	-	1,193,773	1,193,773	-	1,193,773	-	-	
F	Vaccine Damage Payments							
-	-	500	500	-	500	-	-	
G	Grants to independent bodies							
-	-	236,983	236,983	2,500	234,483	-	-	
Non-budget								
H	Disability Rights Commission (Grant in Aid)							
-	-	21,238	21,238	-	21,238	-	-	
RfR 5: Corporate contracts and support services								
2,038,086	157,431	-	2,195,517	61,113	2,134,404	23,516	6,261	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration							
2,038,086	157,431	-	2,195,517	61,113	2,134,404	23,516	6,261	
Total for Estimate:								
5,734,121	1,085,572	57,623,308	64,443,001	2,603,471	61,839,530	398,995	7,134	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	61,315,571	523,959	61,839,530
Voted capital items			
Capital expenditure	305,435	93,560	398,995
<i>Less: non-operating A in A</i>	<u>8,074</u>	<u>-940</u>	<u>7,134</u>
Total net voted capital	297,361	94,500	391,861
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-28,009	-32,700	-60,709
Depreciation	-108,628	-	-108,628
New provisions and adjustments to previous provisions	-87,010	-20,000	-107,010
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-23,269	-	-23,269
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	316,791	-	316,791
Increase(-)/decrease (+) in creditors	168,883	150,000	318,883
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	238,758	97,300	336,058
Excess cash to be CFERd	-	-	-
Net cash requirement	61,851,690	715,759	62,567,449

Part III: Extra receipts payable to the Consolidated Fund

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

	<u>Present provision</u>		<u>New provision</u>	
	<u>Income</u>	<u>Receipts</u>	<u>Income</u>	<u>Receipts</u>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	2,222	2,202	7,222	7,222
Excess receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	<u>2,222</u>	<u>2,202</u>	<u>7,222</u>	<u>7,222</u>

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	341,630
RfR 2	2,599,134
RfR 3	456,885
RfR 4	190,639
RfR 5	2,001,675
Total Net Administration Costs	5,589,963
Net Programme Costs	
RfR 1	-
RfR 2	32,797,762
RfR 3	10,376,963
RfR 4	14,002,780
RfR 5	156,675
Non-voted expenditure	<u>59,815,183</u>
Total Net Programme costs	117,149,363
Total Net Operating Cost	122,739,326
<i>of which:</i>	
Net Resource Outturn	61,839,530
CFERs	-
Non-voted expenditure	63,221,443
Resource Budget Outturn	123,703,311

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	61,839,530
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	63,221,443
Consolidated Fund Extra Receipts (CFERS) in the OCS	-
Other adjustments	-2,321,647
Net Operating Costs (Accounts)	122,739,326
<i>Adjustments to remove:</i>	
capital grants to local authorities	-3,253
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	535,714
voted expenditure outside the budget	-32,700
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-22
resource consumption of non departmental public bodies	-5,077
unallocated resource provision	468,389
Other adjustments	934
Resource Budget Outturn (Budget)	123,703,311
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	8,530,452
Annually Managed Expenditure (AME)	115,172,859

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	391,861
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	1,500
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	9,928
capital grants to local authorities	3,053
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	93,502
Capital Budget Outturn (Budget)	499,844
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	406,342
Annually Managed Expenditure (AME)	93,502

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
Request for Resources 2	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
Request for Resources 3	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
Request for Resources 4	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department
Request for Resources 5	Leigh Lewis, Principal Accounting Officer and Permanent Head of Department

Leigh Lewis as the Principal Accounting Officer (PAO) of the Department for Work and Pensions has personal responsibility for the proper presentation of the Department for Work and Pensions' resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO, as the permanent head, in addition to the responsibilities for the assigned RfRs, remains in general overall charge of the Department for Work and Pensions.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years		
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	58	-
Receipts from non-resident parents following an advance payment for maladministered maintenance to a parent with care	132	-
Receipts from applicants for services provided by Child Support Agency	3	-
Receipts from staff for private telephone calls	1	-
Total RfR 1	194 *	-
* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from staff for private telephone calls; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Support Agency and receipts from the repayment of maintenance by non-resident parents, where the parent with care is in receipt of income support, reduced by the child maintenance premium paid directly to the parent with care.		
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need		
Receipts from the National Insurance Fund for the estimated cost of administering National Insurance Benefits	880,451	-
Receipts for Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	23,349	-
Receipts from other Departments/Organisations in respect of outward secondments	3,955	-
Receipts from matched funded projects	491	-
Recovery of the costs of administering allowance payments for work based learning for adults in Scotland and Wales	222	-
Contribution from Scotland and Wales toward Employment Zones	-	-
Receipts from Local Authorities and partner organisations for services provided to them by Departmental Action Teams	1,334	-
Receipts for expenses from the EU	681	-
Repayment of temporary loans to Remploy	-	-
Challenge funding and similar measures	5	-
Receipts from staff for private telephone calls	52	-
Receipts from mortgage lenders	446	-
Income support (under 60 years of age)	207,196	-
Jobseeker's allowance (contribution based)	489,243	-
Receipts from Working Links management fee	-	-
Housing benefit and council tax benefit subsidies	40	-
Statutory benefits (SSP and SMP)	82	-
Health and Safety Executive	54,343	475
Health and Safety Laboratory	32,898	398
Receipts from outside bodies in respect of partnership working in New Deal for Community areas	210	-
Receipts from EU twinning funded projects	437	-
Payments from Department for Education and Skills for International Programmes	30,623	-
Receipts in respect of the European Social Fund	515,514	-
LSC ambitions programme	-	-
Presidency receipts from the EU	-	-
Refunds from Local Authorities of Performance Standard Funding	-	-
Total RfR 2	2,241,572 *	873 **

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

*Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from staff for private telephone calls; receipts from mortgage lenders; receipts from other departments/organisations in respect of outward secondments; receipts from the sale of non-capital items; receipts from EU twinning funded projects; receipts from match funded projects; the recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales;

contribution from Scotland and Wales towards Employment Zones; receipts from Local Authorities for services provided to them by Departmental Action Teams, including Neighbourhood Renewal Funds, rent and similar receipts; receipts from outside bodies in respect of partnership working in New Deal for Community areas; recovery from Home Office of the costs of administering the refugee and Asylum Seeker programmes; recovery from the EC of the costs of work on European Employment Services (EURES) and work undertaken on labour market issues in eastern Europe;

receipts from the EU for travel expenses, and subsistence allowances incurred by staff on European Union business; receipts from sponsors of supported placements in the ES; receipts in respect of vending machines; receipts from Working Links, Working Links management fee and dividend; receipts from selling services under the Wider Markets Initiative; receipts from partner organisations in respect of action teams; receipts in respect of LSC ambitions programme; the recovery of excess payments made on Jobcentre Plus employment measures; recoveries from authorities not achieving baseline targets set in respect of anti-fraud measures;

recoveries from authorities not achieving targets set in respect of extended payments; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments by liable relatives; amounts collected through a court order or on a voluntary basis from relatives of income support claimants; receipts from the Child Support Agency of payments of maintenance from absent parents for parents with care who are in receipt of Income Support;

repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund; receipts in respect of the Health and Safety Commission (HSC) including fees and charges levied by the HSC, receipts for research, administrative services, testing, fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars, patent rights, conferences and publications (in print and non-print media) provided by the HSC; payments from other government departments, agencies, non-departmental public bodies and overseas governments to the HSC; sales of land and buildings, water, stores, plant, equipment, machinery and vehicles of the

HSC; recoveries of seconded staff salaries of the HSC; receipts for the use of HSC accommodation, rental income, receipts from HSC property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out by HSC; recoveries by the HSC from the European Union in respect of travelling expenses and subsistence allowances incurred by HSC staff on European Union business; contributions and recoveries from the European Union of costs of HSC research and projects, legal claims of the HSC, including awards of court costs and out of court settlements; refunds of advance of salaries of HSC staff, and repayment of loans

made by the HSC; receipts in respect of the European Fast Stream; receipts from the EC to meet payments to Local Authorities and non-exchequer bodies for education and training and employment projects training assisted by the European Social Fund; receipts from the EU Twinning funded projects; Joint International Unit administration receipts; payments from the Department for Education and Skills; Presidency receipts from the EU; Refunds from Local Authorities of Performance Standard Funding.

**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.

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners		
Receipts from the National Insurance Fund for the costs of administering National Insurance Benefits	256,083	-
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	1,520	-
Receipts for levy funded bodies	38,171	-
Receipts from other departments/organisations in respect of outward secondments	202	-
Receipts from mortgage lenders	410	-
Receipts from staff for private telephone calls	1	-
Partnership Funding	887	-
Total RfR 3	297,274 *	-

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

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated costs of administering NI benefits, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from mortgage lenders; receipts from staff for private telephone calls and receipts via Compensation Recovery Unit in respect of benefits paid in lieu.

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society		
Motability administration	0	-
Motability Grant	2,500	-
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	757	-
Receipts from staff for private telephone calls	0	-
Receipts from other departments/organisations in respect of outward secondments	61	-
Total RfR 4	3,318 *	-

* Amount that may be applied as appropriations in aid in addition to the net total arising from services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from the European Union for the European year for disabled people 2003; receipts from staff for private telephone calls; receipts via Compensation Recovery Unit in respect of benefits paid in lieu, recoveries of payments from the Department of Social Development (Northern Ireland) towards Motability's car adaptation and administration costs and receipts from Tenth Anniversary Trust towards Motability's car adaptation costs.

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 5: Corporate contracts and support services		
Receipts from the National Insurance Fund for the costs of administering National Insurance Benefits	23,946	-
Services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public	12,347	-
Receipts from mortgage lenders	567	-
Receipts from staff towards the cost of private use of official vehicles	1,179	-
Receipts from sub-let accommodation	20,604	-
Receipts from staff for private telephone calls	16	-
Recovery of law costs from defendants	1,580	-
Receipts from other departments/organisations in respect of outward secondments	756	-
Receipts from the sale of obsolete machinery, equipment, official vehicles, furniture and buildings	-	6,261
Early Departures pre-funding interest	118	-
Total RfR 5	61,113 *	6,261 **

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering NI benefits; services carried out by the Department for Work and Pensions on behalf of public and private sector bodies and members of the public; receipts from third parties for uninsured losses; receipts from staff for private telephone calls; recovery of law costs from dependants; receipts from sub-let accommodation; receipts from sale of non-capital items; receipts from the Department for Education and Skills in respect of Modern Apprenticeships; receipts from other departments/organisations in respect of the European Fast Stream; receipts from IT services to other government departments; Early Departures pre-funding interest.

** Amount that may be applied as non-operating appropriations in aid arising from receipts from sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

Total A in A	2,603,471	7,134
<i>of which: Administration budgets</i>	<i>144,158</i>	<i>-</i>

Notes to the Estimate (*continued*)

Analysis of Consolidated Fund Extra Receipts (CFERs)

		2005-06 provision		£'000
		Income	Receipts	
Levy on Pensions Industry collected by the Occupational Pensions Regulatory Authority	●	2,200		2,200
Headquarters Accommodation Services	●	5,000		5,000
Recoveries in respect of previous Independent Living Fund scheme	Δ	2		2
Recoveries in respect of previous Rent Allowance scheme	Δ	20		20
Total		7,222		7,222

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Department for Work and Pensions' Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource DEL	143,425	6,815,271	1,715,181	8,530,452
<i>of which : Administration Budget</i>	<i>39,855</i>	<i>5,589,963</i>	<i>469,299</i>	<i>6,059,262</i>
Capital DEL	60,158	396,414	9,928	406,342
Less Depreciation *	-	-108,628	-762	-109,390
Total DEL	203,583	7,103,057	1,724,347	8,827,404

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

Cash which may be retained to offset expenditure

£'000
2,610,605

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

Expenditure resting on the sole authority of the Appropriation Act

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

Subhead	Service		£'000
RfR 2	Awards for achievement in overcoming barriers to unemployment	■	300
RfR 3	Payments in respect of Better Government for Older People	■	400
RfR 3	Payment to the Centre for Policy on Ageing	■	70

Notes to the Estimate (*continued*)**Grants in Aid over £ 1 million**

		£'000
Independent Living Fund	♥	226,359
Motability	♥	10,624
Disability Rights Commission	♥	21,238
The Pension Regulator	♥	23,670
Pension Protection Fund		19,963
Pensions Advisory Service		2,300
Pensions Ombudsman		1,900
TOTAL		<hr/> 306,054

Contingent liabilities

As at 31 March 2005, the following liabilities fell to be met from the Department's Estimate: £'000

Non - Statutory

From April 1995 some Child Support Agency debt has been deferred and will not be recoverable from clients provided certain conditions are met. This could result in the Child Support Agency taking over such debt from non-resident parents. In 2004-05, £0.5 million (2003-04, £1.21 million) was paid by the Agency to parents with care under this arrangement. The maximum potential liability at 31 March 2005 is £31.0 million (31 March 2004, £33.7 million), subject to all cases meeting the criteria. As it is not practicable to estimate the amount that may be paid out, no provision has been made in the accounts. 33,700

In a judicial review brought by a parent with care under the Human Rights Act 1998, it was judged that the parent with care's human rights had not been breached, but that she can apply for damages under the Human Rights Act, where the Secretary of State has failed, unreasonably, to enforce the collection of maintenance due. The Agency lodged a successful appeal against this decision and the parent with care subsequently lodged an appeal to the House of Lords. The parent with care lost their appeal (decision 14 July 2005), with the House of Lords ruling in favour of the Secretary of State. The parent with care has six months from the date of the decision to lodge an Appeal with the European Court. As the outcome of this case cannot be predicted any consequential obligation cannot be measured with sufficient reliability to enable a value to be recognised in the accounts. Unquantifiable

Due to a structural problem, the Department has a future liability to fund the reconstruction of one of its buildings. All legal implications relating to this liability have been resolved, and it has been determined that this will be funded through Departmental resources. Not known

Jobcentre Plus has given formal guarantee in respect of a bank overdraft for Remploy Limited, an Executive Non-Departmental Public Body. The guarantee is up to a maximum of £15 million. As at 31 March 2005, £14.3 million of the overdraft facility had been utilised. 15,000

There is an unquantifiable liability in respect of the legal responsibility that the Secretary of State has as sole guarantor of Remploy Limited. The liability is secured by an all monies Unquantifiable

Better Government for Older People (BGOP) is an initiative which is funded by several consortium partners with DWP providing the largest proportion of funds by way of Grant-in-Aid. Since BGOP has no legal identity, the usual 'Financial Memorandum' is replaced by a 'Consortium Agreement' that has Treasury approval. But in addition to the funding which DWP provides, we have also agreed to indemnify Help the Aged, the host organisation, against any losses arising from BGOP activity to the sum of £1 million (in any one calendar year). As the 'Consortium Agreement' year runs from October to September, this could amount to £2 million 2,000

The former Department for Education and Employment Ministers gave their agreement that the former Training and Enterprise Councils could be offered indemnities in respect of certain liabilities that arose or continued after the contractual relationship with Government ended on 25 March 2001. The purpose of these indemnities was to give the former Training and Enterprise Council Directors, or a liquidator, sufficient assurances to conclude that relationship and either return residual reserves owing to the Secretary of State, or distribute these with the Secretary of State's agreement at the earliest opportunity. Responsibility for these contingent liabilities transferred to Jobcentre Plus on 1 April 2002 from the Employment Service. Consequently, Jobcentre Plus has agreed to offer indemnities of up to £12 million in respect of existing contracts with the former Training and Enterprise Councils that were novated as a result of the former Training and Enterprise Council's wind up, or in respect of repayments claimed following audit of past contract activity. 12,000

Contingent liabilities (*continued*)

Following the ruling of the Employment Appeal Tribunal in the lead dress standard case, the Public and Commercial Services Union has withdrawn its support for further action. Unquantifiable
 Consequently the 7,000 plus compensation claims that were outstanding reduced to less than 4,000 and this figure is expected to reduce further. Due to uncertainty regarding the outcome of the discussions and size of any financial remedy it is not possible to provide a reliable estimate of the financial effect.

HSE is currently defending two equal pay cases. In October 2003, HSE successfully appealed at an Employment Appeal Tribunal against an Employment Tribunal decision handed down in July 2002. That appeal was subject to a cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice. Depending upon the outcome of that reference, the case could be decided in HSE's favour or remitted to an Employment Tribunal to be heard again. The legal process could, therefore, continue for a considerable period of time. Unquantifiable
 HSE won another equal pay case in December 2003 as a result of the Employment Appeal Tribunal decision but that case is subject to a cross appeal from the other side, which has been stayed pending the outcome of the first case. If HSE were to lose these cases, the financial consequences would depend on the nature of the final judgement in relation to the two employees who brought the cases and the degree to which the judgements would apply more widely in HSE.

Important changes to the Vaccine Damage Payments Scheme have been introduced. The level of disablement that is defined as severe has been reduced from 80% to 60% and the period of time during which a claim can be made has been extended. Unquantifiable
 These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. All of the 389 claims received by this deadline were rejected. As they carry appeal rights and there is no time limit for requesting a Vaccine Damage Appeal it can be 10 years or more before they decide to go ahead. It is not currently possible to estimate the value or success of these claims and so no provision has been made in the accounts.

The Department has a potential liability in respect of ineligible claims for ESF programmes that operated during 1994-99. The Department estimates that it is highly likely that we will be unable to claim from the European Commission £13.7 million already paid to contractors and a provision for this has been created in the accounts. The Department is negotiating a final settlement with the European Commission and there is the potential that a further liability could arise, however this figure cannot be estimated with any certainty at this time. Unquantifiable

Deficiency Notices were not sent out for the tax years 1996-97 to 2001-02. Her Majesty's Revenue and Customs (formerly Inland Revenue) has contacted those customers of working age who may be affected by this. The Department is currently in the process of contacting approximately 470,000 pensioner customers affected by the suspension of deficiency notices. Unquantifiable
 Customers who reached State Pension age between 6 April 1999 and 24 October 2004 (inclusive) are being invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State Pension, or qualify for one for the first time. As yet, the level of take up cannot be estimated with sufficient reliability to enable a value to be determined.

The Department is in commercial negotiations with EDS, the supplier of the Child Support 2 computer system, around the cost of remedial work on the system. At the balance sheet date no confirmed liability has been agreed. Unquantifiable

There are a number of legal claims against The Rent Service, the outcome of which cannot at present be stated with certainty. None of these claims has been settled. A cost of £77,000 has been estimated based on previous experience of similar claims. A cost of £15,000 has also been estimated for two pending Employment Tribunal cases. These costs have not been provided for in the financial statements. 92

Northern Ireland Office

Introduction

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

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

The main purpose of the Supplementary Estimate is to drawdown Departmental Unallocated Provision of £3,689,000, to request Non-budget funding outside the Department's budgetary framework to enable a transfer to Northern Ireland Executive for PSNI civilian pensions of £83,063,549, to transfer DEL from non-voted to voted of £31,000,000 and to action a technical transfers to another department of £131,000.

Increases

Funding request outside the Department's budgetary framework

- 1 an increase of £83,063,549 grants (RfR 1: Subhead L3, Police) to enable a transfer to the Northern Ireland Executive for PSNI civilian pensions.

Transfer of DEL from non-voted to voted

- 1 an increase of £31,000,000 other current (RfR 1: Subhead A2, Central Administration) due a reduction in the PSNI pension current service cost.

Decreases

Transfers to other government bodies

- 1 a decrease of £131,217 administration (RfR 1: Subhead A1, Central Administration) to action a PES transfer to Security and Intelligence Agencies

Neutral changes

Transfers within the RfR

Sections receiving transfers

- 1 an increase of £1,393,000 administration (RfR 1: Subhead A1, Central Administration) due to increased non-cash costs for IT and Buildings
- 2 an increase of £5,498,000 capital (RfR 1: Subhead A7, Central Administration), due to the centralisation of easements identified within the Department and as a result of the sale of NIO owned properties
- 3 an increase of £4,000,000 non operating A in A (RfR 1: Subhead A8, Central Administration), due to the sale of NIO properties
- 4 an increase of £2,124,000 administration (RfR 1: Subhead C1, Political), due to increased running costs including administration costs relating to the establishment of three new political inquiries
- 5 an increase of £3,892,000 other current (RfR 1: Subhead C2, Political) due to the establishment of three new political inquiries
- 6 an increase of £300,000 grants (RfR 1: Subhead C3, Political) due to increased funding for the Northern Ireland Human Rights Commission
- 7 an increase of £492,000 capital (RfR 1: Subhead C7, Political) due to an increased capital requirement for the Chief Electoral Office as a result of the rephasing of capital projects
- 8 an increase of £1,647,000 programme (RfR 1: Subhead D2, Public Prosecution Service) mainly due to a reclassification of fit out costs from capital to programme and a transfer of front line costs from administrator

Introduction (continued)

- 9 an increase of £3,087,000 administration (RfR 1: Subhead E1, Forensic Science Northern Ireland) and an increase of £2,920,000 AinA (RfR 1: Subhead E5, Forensic Science Northern Ireland) for increased running costs (which are offset by receipts).
- 10 an increase of £15,000 AinA (RfR 1: Subhead F5, Criminal Justice) due to increased resource receipts
- 11 an increase in capital of £1,245,000 (RfR 1: Subhead F7, Criminal Justice) as a result of increased capital costs for a new mortuary and Juvenile Justice Centre
- 12 an increase of £403,000 administration (RfR 1: Subhead G1, Compensation Agency) as a result of increase in overheads and non-cash costs from disposal of IT equipment
- 13 an increase of £211,000 other current (RfR 1: Subhead G2, Compensation Agency) as a result of increased programme costs for various projects
- 14 an increase of £4,854,000 grants (RfR 1: Subhead G3, Compensation Agency) due to increased provision for compensation claims
- 15 an increase of £240,000 AinA (RfR 1: Subhead G5, Compensation Agency) due to increased resource receipts
- 16 an increase of £356,000 capital (RfR 1: Subhead G7, Compensation Agency) due to accommodation improvements and IT costs
- 17 an increase of £1,656,000 administration (RfR1: Subhead H1, Policing and Security) due to the transfer of security functions from Central Administration
- 18 an increase of £48,000 grants (RfR 1: Subhead H3, Policing and Security) due to increased programme costs for Police Retraining and Rehabilitation Trust (PRRT)
- 19 an increase of £74,000 capital (RfR 1: Subhead H7, Policing and Security) due to the transfer of security functions from Central Administration
- 20 an increase of £150,000 administration (RfR 1: Subhead I1, Policing Non Severance) due to an increase in non-cash costs
- 21 an increase of £162,000 AinA (RfR1: Subhead J5, Northern Ireland Prison Service) due to increased resource receipt:
- 22 an increase of £5,676,000 other current (RfR 1: Subhead K2, Youth Justice Agency) due to a transfer from Criminal Justice relating to Youth Conferencing Services and for the buy-out of a pension liability for ex staff
- 23 an increase of £200,000 AinA (RfR 1: Subhead K5, Youth Justice Agency) due to increased resource receipts
- 24 an increase of £276,000 capital (RfR 1: Subhead K7, Youth Justice Agency) due to capital projects that were rephased from 2004/05 to 2005/06
- 25 an increase of £33,080,000 Grants (RfR 1: Subhead L3, Police) due to the utilisation of FTR severance provision and for the set up of the new PSNI Historic Enquiry Team
- 26 an increase of £330,000 Grants (RfR 1: Subhead O3, Probation Board for Northern Ireland) mainly due to the victim support scheme

Introduction (continued)

- 26 an increase of £1,600,000 administration (RfR 1: Subhead P1 Bloody Sunday) and £4,200,000 other current (RfR 1: Subhead P2) due to the continuation of Bloody Sunday Inquiry in 2005/06

Sections making transfers

- 1 a decrease of £21,469,000 other current (RfR 1: Subhead A2, Central Administration) due to centralisation of pressures within the Department and due the recoding of expenditure from programme to administration
 - 2 a decrease of £35,000 AinA (RfR 1: Subhead C5, Political) due to a decrease in the recovery of shared costs from outside the NIO
 - 3 a decrease of £497,000 administration (RfR 1: Subhead D1, Public Prosecution Service) due to the transfer of front line costs from administration to programme
 - 4 a decrease of £1,941,000 capital (RfR 1: Subhead D7, Public Prosecution Service) due to the reclassification of fit out costs from capital to programme
 - 5 a decrease of £1,131,000 administration (RfR 1: Subhead F1, Criminal Justice) due to reduced running costs
 - 6 a decrease of £2,542,000 other current (RfR 1: Subhead F2, Criminal Justice) due to a transfer to Youth Justice Agency relating to Youth Conferencing Services
 - 7 a decrease of £448,000 grant (RfR 1: Subhead F3, Criminal Justice) due to transfer to Probation Board
 - 8 a decrease of £55,000 other current (RfR 1: Subhead H2, Policing and Security) due to miscellaneous easements
 - 9 a decrease of £2,080,000 other current (RfR 1: Subhead I2, Policing - Non-Severance) due to the rephasing of projects
 - 10 a decrease of £2,218,000 administration (RfR 1: Subhead J1, Northern Ireland Prison Service) due to short term vacancies and delays in training prison custody officers
 - 11 a decrease of £1,220,000 other current (RfR 1: Subhead J2, Northern Ireland Prison Service) due to a reduction in staffing associated with the rephasing of a major capital project
 - 12 a decrease of £2,000,000 capital (RfR 1: Subhead J7, Northern Ireland Prison Service) due to the rephasing of a major capital project
2. As a result of these changes there is an increase in the net cash requirement of: £138,609,000
 3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	143,421,000
Total additional net resource requirement	143,421,000
Additional net cash requirement	138,609,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Northern Ireland Office on:

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

expenditure on central administrative services; VIP visits to Northern Ireland; the Bloody Sunday Inquiry; Reviews and Commissions arising from the Good Friday Agreement; expenditure on political development and inquiries; expenditure on Victims of the Troubles; expenditure arising from the Northern Ireland Act 1998 and Northern Ireland Act 2000; expenditure arising from elections; forensic services; services related to crime; criminal justice including juvenile justice services; probation and after-care; state pathology; Crown prosecutions and other legal services; compensation schemes; Criminal Injuries Compensation Appeals Panel for Northern Ireland; European Union peace and reconciliation projects; and certain other grants; implementation of the Independent Commission on Police findings; security; the Police Ombudsman; the Independent Assessor of Military Complaints Procedures in Northern Ireland; the Parades Commission; arms decommissioning; policing including expenditure arising from police pensions; prisons including the Prison Service Trust and the Prison Ombudsman; and associated non-cash items.

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.

grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

The Northern Ireland Office will account for this Estimate.

Part II: Changes proposed

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					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Central Administration	33,040	10,793	-	10,793	43,833
RfR 1 - C Political Directorate	13,920	6,316	-35	6,351	20,271
RfR 1 - D Public Prosecution Service	25,691	1,150	-	1,150	26,841
RfR 1 - E Forensic Science Northern Ireland	1,243	3,087	2,920	167	1,410
RfR 1 - F Criminal Justice	29,427	-4,121	15	-4,136	25,291
RfR 1 - G Compensation Agency	25,975	5,468	240	5,228	31,203
RfR 1 - H Policing and Security	16,698	1,649	-	1,649	18,347
RfR 1 - I Policing - Non Severance	3,890	-1,930	-	-1,930	1,960
RfR 1 - J Northern Ireland Prison Service	136,973	-3,438	162	-3,600	133,373
RfR 1 - K Youth Justice Agency	14,967	5,676	200	5,476	20,443
Non-budget					
RfR 1 - L Police	766,419	116,143	-	116,143	882,562
RfR 1 - O Probation Board for Northern Ireland	13,776	330	-	330	14,106
RfR 1 - P Bloody Sunday	-	5,800	-	5,800	5,800
Total RfR 1		146,923	3,502	143,421	

	£000		
	Present Provision	Change in Provision	New Provision
Capital and Cash			
Total Capital Expenditure	32,508	4,000	36,508
Non-Operating A in A	50	4,000	4,050
Net cash requirement	11,305,914	138,609	11,444,523

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of								
94,974	213,751	986,000	1,294,725	12,202	1,282,523	36,508	4,050	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Central Administration								
35,146	11,785	-	46,931	3,098	43,833	8,862	4,000	
B Ministers								
3,586	-	-	3,586	-	3,586	-	-	
C Political Directorate								
6,250	12,566	1,650	20,466	195	20,271	853	-	
D Public Prosecution Service								
2,033	24,894	-	26,927	86	26,841	677	-	
E Forensic Science Northern Ireland								
9,371	-	-	9,371	7,961	1,410	384	50	
F Criminal Justice								
9,730	10,916	4,660	25,306	15	25,291	13,755	-	
G Compensation Agency								
4,314	155	27,154	31,623	420	31,203	378	-	
H Policing and Security								
6,680	9,536	2,141	18,357	10	18,347	82	-	
I Policing - Non Severance								
150	1,810	-	1,960	-	1,960	-	-	
J Northern Ireland Prison Service								
16,014	117,346	230	133,590	217	133,373	11,241	-	
K Youth Justice Agency								
100	20,543	-	20,643	200	20,443	276	-	
Non-budget								
L Police								
-	-	882,562	882,562	-	882,562	-	-	
M Police Pensions								
-	-	45,947	45,947	-	45,947	-	-	
N Police Ombudsman for Northern Ireland								
-	-	7,550	7,550	-	7,550	-	-	
O Probation Board for Northern Ireland								
-	-	14,106	14,106	-	14,106	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
P Bloody Sunday								
1,600	4,200	-	5,800	-	5,800	-	-	

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

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.								
-	-	10,137,001	10,137,001	-	10,137,001	-	-	-
Non-budget								
A Grants to the Northern Ireland Consolidated Fund								
-		10,137,000	10,137,000	-	10,137,000	-	-	-
B European Institutions (Net)								
-		1	1	-	1	-	-	-
Total for Estimate:								
94,974	213,751	11,123,001	11,431,726	12,202	11,419,524	36,508	4,050	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	11,276,103	143,421	11,419,524
Voted capital items			
Capital expenditure	32,508	4,000	36,508
<i>Less: non-operating A in A</i>	<u>50</u>	<u>4,000</u>	<u>4,050</u>
Total net voted capital	32,458	-	32,458
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-8,718	-599	-9,317
Depreciation	-18,457	2,841	-15,616
New provisions and adjustments to previous provisions	-24,540	-6,315	-30,855
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-3,038	-739	-3,777
Increase(+)/decrease (-) in stock	-13	-	-13
Increase(+)/decrease (-) in debtors	-405	-	-405
Increase(-)/decrease (+) in creditors	-200	-	-200
Use of provisions	<u>52,724</u>	<u>-</u>	<u>52,724</u>
Total accruals to cash adjustments	-2,647	-4,812	-7,459
Excess cash to be CFERd	-	-	-
Net cash requirement	11,305,914	138,609	11,444,523

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR1	83,701	
RfR2	-	
	<hr/>	
Total Net Administration Costs		83,701
Net Programme Costs		
RfR1	1,198,822	
RfR2	10,137,001	
	<hr/>	
Total Net Programme costs		11,335,823
Total Net Operating Cost		11,419,524
<i>of which:</i>		
Net Resource Outturn		11,419,524
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		1,421,253

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	11,419,524
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	11,419,524
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	187,129
voted expenditure outside the budget	-10,324,130
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	92,459
unallocated resource provision	46,271
Other adjustments	-
Resource Budget Outturn (Budget)	1,421,253
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,199,288
Annually Managed Expenditure (AME)	221,965

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	32,458
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	33,470
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	65,928
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	65,928
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Sir Joseph Pilling, Principal Accounting Officer and Permanent Under Secretary of the Northern Ireland Office
Request for Resources 2	Sir Joseph Pilling, Principal Accounting Officer and Permanent Under Secretary of the Northern Ireland Office

Sir Joseph Pilling, as the Principal Accounting Officer (PAO) of the Northern Ireland Office has personal responsibility for the proper presentation of the Northern Ireland Office's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Northern Ireland Office.

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
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		
Income from licences	2	-
Income from fees and charges	86	-
Recovery of costs	12,108	-
Income from other sales	6	50
Income from sale of land and buildings	-	4,000
Total RfR1	12,202 *	4,050 **
<i>of which: Administration Budgets</i>	11,273	-

*Amount that may be applied as operating appropriations in aid in addition to the net total, arising from recoupment of electoral expenses, shared accommodation costs, receipts from the use of video conference facilities, certain pension contributions, receipts from accruing superannuation liability charges, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts; recovery of compensation paid, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the crown, receipts arising from arms decommissioning, proceeds of prison occupational services, sale of surplus stores and catering equipment, creche fees, and tuck shop receipts.

**Amount that may be applied as non-operating appropriations in aid include receipts from the sale of residential properties, surplus IT and office equipment.

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	-131	326,557	872,731	1,199,288
<i>of which : Administration Budget</i>	<i>-131</i>	<i>83,701</i>	<i>10,973</i>	<i>94,674</i>
Capital	-	32,458	33,470	65,928
Depreciation*	2,741	-15,616	-28,627	-44,243
Total	2,610	343,399	877,574	1,220,973

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

Cash which may be retained to offset expenditure

£'000
16,252

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

HM Revenue and Customs

Introduction

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

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Increases:

Take up of resource near cash end of year flexibility entitlement

1. £50,000,000 administration costs, and
£100,000,000 in capital

Transfers from other government departments

1. Transfer from Home Office from their Recovered Assets Incentivisation Fund
£3,120,000 programme expenditure
2. Transfer from the Department for Education and Skills for the Savings Gateway project
£863,000 programme costs

Transfers from non-voted spending

1. Draw down of Departmental Unallocated Provisions of £51,600,000 in administration costs

Other Increases:

1. Increase of £28,000,000, to reflect revisions to AME costs.

Decreases:

Transfers to other government departments

1. Transfer
Transfer to the Home Office in support of anti-terrorism work.
£1,454,000 programme costs
2. Machinery of Government change
Transfer to the Revenue and Customs Prosecution Office
£2,280,000, administration costs, and
£50,000 Capital

RfR 2: Growing a contribution to the good management of property where the public interest is involved

Increases:

Other Increases

1. Intra departmental transfer from RfR 1 to RfR 2 of £7,021,000 capital.
2. As a result of these changes there is an increase in the net cash requirement of £229,946,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	† 129,849,000
Total additional net resource requirement	129,849,000
Additional net cash requirement	229,946,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by HM Revenue and Customs on:

RfR 1: Administering the tax and customs control systems fairly and efficiently 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, collection of direct and indirect taxes, duties and levies, Shipbuilders' Relief, new tax credits, National Insurance Contributions, Child Benefit and the Child Trust Fund, Lorry Road User Charge, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; the operation of customs controls including prohibitions and restrictions; the provision of trade information; the provision of Capital Grants for Excise Tax Stamps; the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of Customs National Museum; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies, including assistance with investigations into the terrorist incidents, and overseas tax administrations.

RfR 2: Growing a contribution to the good management of property where the public interest is involved

administration and the associated non-cash incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency.

RfR 3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, supplements on payroll giving, donations to charities and on personal and stakeholder pension schemes, life assurance premium relief, stamp duty relief and residual payments for mortgage interest relief, vocational training relief and private medical insurance.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by HM Revenue and Customs Department in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations, contributions in lieu of rates in respect of properties occupied by the Crown in Gibraltar and other similar payments.

RfR 5: Payments of Child Benefit and Child Trust Fund endowments

payments of Child Benefit, Child Trust funds and the associated non-cash items.

The **HM Revenue and Customs** will account for this Estimate.

† HM Revenue and Customs was created in April 2005, together with the Revenue and Customs Prosecutions Office. Together they replaced HM Customs and Excise and the Inland Revenue. Further changes relating to this machinery of government transfer are: i) the net resource requirement for RfR1 is decreased by £ 2,280,000, including a reduction of £ 37,000 in operating appropriations in aid ; and ii) the net cash requirement is decreased by £ 2,183,000.

Part II: Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration	4,198,790	101,812	-37	101,849	4,300,639
Spending in Annually Managed Expenditure (AME)					
RfR 1 - B e-filing incentive payments	200,000	28,000	-	28,000	228,000
Total RfR 1		129,812	-37	129,849	
Total Changes to RfRs		129,812	-37	129,849	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	274,899	99,950	374,849
Non-Operating A in A	3,980	-	3,980
Net cash requirement	15,257,803	229,946	15,487,749

Part II: Revised subhead detail including additional provision

Resources						Capital	£'000	
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements								
4,571,970	161,676	231,435	4,965,081	436,441	4,528,640	358,657	3,818	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
4,571,970	158,176	3,435	4,733,581	432,942	4,300,639	358,657	3,818	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B e-filing incentive payments								
-	-	228,000	228,000	-	228,000	-	-	
Non-budget								
C Operational local clearance problems								
-	3,500	-	3,500	3,499	1	-	-	
RfR 2: Growing a contribution to the good management of property where the public interest is involved								
239,257	-	-	239,257	239,256	1	16,192	162	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
239,257	-	-	239,257	239,256	1	16,192	162	
RfR 3: Providing payments in lieu of tax relief to certain bodies								
-	-	90,000	90,000	-	90,000	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Payments in lieu of tax relief								
-	-	90,000	90,000	-	90,000	-	-	
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies								
-	39,579	-	39,579	4,161	35,418	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Payments of Local Authority rates								
-	39,579	-	39,579	4,161	35,418	-	-	
RfR 5: Payments of Child Benefit and Child Trust Fund endowments								
-	-	10,078,462	10,078,462	-	10,078,462	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Children's benefits								
-	-	9,838,462	9,838,462	-	9,838,462	-	-	
B Child Trust Fund Endowments								
-	-	240,000	240,000	-	240,000	-	-	
Total for Estimate:								
4,811,227	201,255	10,399,897	15,412,379	679,858	14,732,521	374,849	3,980	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	14,602,672	129,849	14,732,521
Voted capital items			
Capital expenditure	274,899	99,950	374,849
<i>Less: non-operating A in A</i>	<u>3,980</u>	<u>-</u>	<u>3,980</u>
Total net voted capital	270,919	99,950	370,869
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-25,362	-	-25,362
Depreciation	-164,284	147	-164,137
New provisions and adjustments to previous provisions	-36,800	-	-36,800
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520	-	-520
Increase(+)/decrease (-) in stock	-400	-	-400
Increase(+)/decrease (-) in debtors	35,006	-	35,006
Increase(-)/decrease (+) in creditors	-70,861	-	-70,861
Use of provisions	<u>647,433</u>	<u>-</u>	<u>647,433</u>
Total accruals to cash adjustments	384,212	147	384,359
Excess cash to be CFERd	-	-	-
Net cash requirement	15,257,803	229,946	15,487,749

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	4,504,386	
RfR 2	1	
RfR 3	-	
RfR 4	-	
RfR 5	-	
	<hr/>	
Total Net Administration Costs		4,504,387
Net Programme Costs		
RfR 1	24,254	
RfR 2	-	
RfR 3	90,000	
RfR 4	35,418	
RfR 5	10,078,462	
	<hr/>	
Total Net Programme costs		10,228,134
Total Net Operating Cost		14,732,521
<i>of which:</i>		
Net Resource Outturn		14,732,521
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		27,954,008

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	14,732,521
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	14,732,521
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	18,901
Other adjustments	13,202,587
Resource Budget Outturn (Budget)	27,954,008
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	4,660,125
Annually Managed Expenditure (AME)	23,293,883

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	370,869
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	2,977
Other adjustments	-
Capital Budget Outturn (Budget)	373,846
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	373,846
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1	Paul Gray, Deputy Chairman of HM Revenue and Customs and Additional Accounting Officer
Request for Resources 2	Andrew Hudson, Chief Executive of the Valuation Office Agency and Additional Accounting Officer
Request for Resources 3	David Hartnett, Director General Policy and Additional Accounting Officer
Request for Resources 4	Andrew Hudson, Chief Executive of the Valuation Office Agency and Additional Accounting Officer
Request for Resources 5	Paul Gray, Deputy Chairman of HM Revenue and Customs and Additional Accounting Officer

David Varney as the Principal Accounting Officer (PAO) of HM Revenue and Customs has personal responsibility for the proper presentation of HM Revenue and Customs' resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for an assigned RfR, remains in general overall charge of HM Revenue and Customs

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

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

Notes to the Estimate (*continued*)

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	Non operating
	Operating A in A	A in A
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements		
Recovery of costs of collecting NICs	354,929	-
Receipts from sale of assets	-	3,818
Receipts from certain tax penalties	15,000	-
Receipts from VOA, other government departments and other bodies	19,492	-
Other miscellaneous receipts	17,316	-
Income from charges for special attendance	940	-
Income from recovery of costs and expenses	8,230	-
Income from international commitment charges	2,343	-
Income from the sale of certificates and statistical services	326	-
Income from Estate Management services	6,955	-
Income from Shipbuilders' relief	3,517	-
Local clearance procedure receipts	3,499	-
Fees from money laundering regulatory regime	3,894	-
Total RfR 1	436,441 *	3,818 **
* Amount that may be applied as appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of costs of administering the National Insurance Funds and collection of National Insurance contributions; subsidies for New Deal jobseekers employed; receipts for services provided to the Valuation Office Agency, government departments and other bodies; recovery of costs of seconded and loan staff; charges for the special attendance of officers; and for international commitments; receipts from the sale		
of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; Lorry Road User charge development receipts, EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; and marine fuel relief, fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; and other miscellaneous administration and programme cost receipts.		
** Amount that may be applied as non-operating appropriations in aid arising from the recovery of income from the sale of fixed assets and from the sale of land and buildings.		
RfR 2: Growing a contribution to the good management of property where the public interest is involved		
Recovery of costs of rating and valuation services	239,256	-
Receipts from sale of assets	-	162
Total RfR 2	239,256 *	162 **
* Amount that may be applied as appropriations in aid in addition to the net total arising from: the recovery of costs of valuation and other services; receipts from the sale of certain official cars; receipts from the sale information and publications; recovery of law costs; rent receipts from other government departments and private tenants; other administration costs receipts.		
** Amount that may be applied as non-operating appropriations in aid arising from: the recovery of income from the sale of assets.		
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies		
Repayments by Commonwealth and foreign countries and international organisations	4,161	-
Total RfR 4	4,161 *	-
* Amount that may be applied as appropriations in aid in addition to the net total arising from: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities and Ministry of Defence property in Gibraltar.		
Total A in A	679,858	3,980
<i>of which: Administration budgets</i>	<i>68,084</i>	<i>-</i>

Departmental Expenditure Limits and Administration Budgets

As announced by the Chancellor of the Exchequer to the House of Commons, HM Revenue and Customs' Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	50,249	4,300,640	359,485	4,660,125
<i>of which : Administration Budget</i>	<i>47,720</i>	<i>4,504,387</i>	<i>18,901</i>	<i>4,523,288</i>
Capital	99,950	370,869	2,977	373,846
Depreciation*	147	-164,137	-	-164,137
Total	150,346	4,507,372	362,462	4,869,834

*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
683,838

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

Expenditure resting on the sole authority of the Appropriation Act

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

Subhead	Service	■	£'000
A2	The provision of Capital Grants for Tax Stamps	■	3,000

National Savings & Investments

Introduction

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

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future

Increases:

Take up of near cash End Year Flexibility

1. Amount £ 9,500,000

Section A

take up of DEL administration costs end year flexibility of £9,500,000 for further support to the major projects in National savings and investments modernisation programme.

Transfers from non voted spending

1. Amount : £500,000

Section A

to the take up of DUP of £500,000 for further support to the major projects in National Savings and Investments modernisation programme

2. As a result of the above changes the net cash requirement will increase by £10,000,000 from £167,673,000 to £177,673,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	10,000,000
Total additional net resource requirement	10,000,000
Additional net cash requirement	10,000,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by National Savings and Investments on:

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

National Savings and Investments will account for this Estimate.

Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	169,794	10,000	-	10,000	179,794
Total RfR 1		10,000	-	10,000	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	500	-	500
Non-Operating A in A	-	-	-
Net cash requirement	167,673	10,000	177,673

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future								
184,644	-	-	184,644	4,850	179,794	500	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
184,644	-	-	184,644	4,850	179,794	500	-	
Total for Estimate:								
184,644	-	-	184,644	4,850	179,794	500	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000 <u>Revised</u>
Net total Resources	169,794	10,000	179,794
Voted capital items			
Capital expenditure	500	-	500
<i>Less: non-operating A in A</i>	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	500	-	500
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-1,108	-	-1,108
Depreciation	-2,970	-	-2,970
New provisions and adjustments to previous provisions	-893	-	-893
Profit (+) / loss (-) on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-500	-	-500
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-450	-	-450
Increase(-)/decrease(+) in creditors	2,400	-	2,400
Use of provisions	<u>900</u>	<u>-</u>	<u>900</u>
Total accruals to cash adjustments	-2,621	-	-2,621
Excess cash to be CFERd	-	-	-
Net cash requirement	167,673	10,000	177,673

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
<hr/>		
Net administration costs		
	RfR 1	<u>179,794</u>
Total Net Administration Costs		179,794
Net Programme Costs		
	RfR 1	<u>-</u>
Total Net programme costs		-
Total Net Operating Cost		179,794
<i>of which:</i>		
	Net Resource Outturn	179,794
	CFERs	-
	Non-voted expenditure	-
Resource Budget Outturn		179,794
<hr/>		

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	179,794
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	179,794
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	179,794
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	179,794
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	500
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	500
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	500
Annually Managed Expenditure (AME)	-

Notes to the Estimate

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Alan Cook, permanent head of department

Alan Cook, as the Accounting Officer (AO) of the National Savings and Investment has personal responsibility for the proper presentation of the National Savings and Investments' resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of National Savings and Investments.

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

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non- operating A in A
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future		
Accommodation rental receipts	4,850	-
Total RfR 1	4,850 *	-
<i>of which: Administration budgets</i>	-	-

* Amount that may be applied as appropriation in aid in addition to the net total, arising from rent receipts.

Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the National Savings and Investments Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource DEL	9,500	179,794	-	179,794
<i>of which : Administration Budget</i>	<i>9,500</i>	<i>179,794</i>	<i>-</i>	<i>179,794</i>
Capital DEL	-	500	-	500
Less depreciation *	-	-2,970	-	-2,970
Total DEL	19,000	177,324	-	177,324

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

Cash which may be retained to offset expenditure

£'000

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

4,850

Office for National Statistics

Introduction

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

Increases:

RfR 1: Providing statistical and registration services

Take up of End-Year Flexibility (EYF)

1. Take up of End-Year Flexibility (EYF) of £3,944,000 for Administration costs for RfR 1 Section A as set out in the Public Outturn White Paper (Cm 6293)

Transfers from non-voted spending

1. Take up of Departmental Unallocated Provision (DUP)

Amount: £30,200,000

Section: A

Reason: To draw down £5,900,000 (administration) to meet in year pressures, £12,800,000 (administration) and £11,500,000 (capital) in respect of ONS's Statistical Modernisation Programme

Neutral changes:

Increased spending offset by income

1. To increase level of appropriation in aid receipts by £8,139,000 in respect of the recovery of costs on shared projects and surveys from other government departments and to reflect increased demand for certificate sales and surveys, matched by increased operating costs expenditure of £8,139,000.

2. As a result of these changes there is an increase in the net cash requirement of £ 34,791,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Providing statistical and registration services

22,644,000

Total additional net resource requirement

22,644,000

Additional net cash requirement34,791,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office for National Statistics on:

RfR 1: Providing statistical and registration services

Collection, preparation and dissemination of economic, social, labour market and other statistics; register services, departmental administration and associated non-cash items.

The **Office for National Statistics** will account for this Estimate.

Changes proposed

£'000

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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RfR 1: Providing statistical and registration services

Spending in Departmental Expenditure Limits (DEL)

Central Government spending

RfR 1 - A Administration	138,980	30,783	8,139	22,644	161,624
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Total RfR 1		30,783	8,139	22,644	
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Total Changes to RfRs		30,783	8,139	22,644	
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£000

	Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	9,820	11,500	21,320
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Non-Operating A in A	250	-	250
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Net cash requirement	129,340	34,791	164,131
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Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Providing statistical and registration services								
205,074	550	-	205,624	45,000	160,624	21,320	250	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
205,074	550	-	205,624	44,000	161,624	21,320	250	
Non-budget								
B EU receipts								
-	-	-	-	1,000	-1,000	-	-	
Total for Estimate:								
205,074	550	-	205,624	45,000	160,624	21,320	250	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	137,980	22,644	160,624
Voted capital items			
Capital expenditure	9,820	11,500	21,320
<i>Less: non-operating A in A</i>	<u>250</u>	<u>-</u>	<u>250</u>
Total net voted capital	9,570	11,500	21,070
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,000	-	-3,000
Depreciation	-15,500	-	-15,500
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Proior period adjustments	-	-	-
Other non-cash items	-151	-	-151
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>441</u>	647	<u>1,088</u>
Total accruals to cash adjustments	-18,210	647	-17,563
Excess cash to be CFERd	-	-	-
Net cash requirement	129,340	34,791	164,131

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	161,074
Total Net Administration Costs	161,074
Net Programme Costs	
RfR 1	-450
Total net programme costs	-450
Total Net Operating Cost	160,624
<i>of which:</i>	
Net Resource Outturn	160,624
CFERs	-
Non-voted expenditure	-
Resource Budget Outturn	170,924

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	160,624
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	160,624
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	1,000
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	9,300
Other adjustments	-
Resource Budget Outturn (Budget)	170,924
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	170,924
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	21,070
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	6,500
Other adjustments	-
Capital Budget Outturn (Budget)	27,570
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	27,570
Annually Managed Expenditure (AME)	-

Office for National Statistics

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Karen Dunnell, the Director of the Office for National Statistics

Karen Dunnell, the Accounting Officer (AO) of the Office for National Statistics, has personal responsibility for the proper presentation of the Office for National Statistics' resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO, as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Office for National Statistics.

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

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Providing statistical and registration services		
Fees for searches, verifications and certified copies of register entries	13,047	-
Repayment services	29,400	-
Receipts from the sale of data, publications etc.	2,485	-
Receipts from the EU and other overseas contracts	42	-
Car Leasing scheme for the Registration inspectorate	26	-
Sale of surplus assets	-	250
Total RfR 1	45,000 *	250 **
<i>of which: Administration budgets</i>	-	-
* Amount that may be applied as appropriation in aid in addition to the net total, arising from: the sale of statistical information publications and other services to other departments, the European Union and the public.		
** Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of surplus assets.		
Total A in A	45,000	250

Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

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

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	3,944	161,624	9,300	170,924
<i>of which : Administration Budget</i>	<i>3,944</i>	<i>161,074</i>	<i>9,300</i>	<i>170,374</i>
Capital DEL	-	21,070	6,500	27,570
Less depreciation *	-	-15,500	-	-15,500
Total DEL	3,944	167,194	15,800	182,994

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

Cash which may be retained to offset expenditure

	£'000
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid	45,420

Cabinet Office

Introduction

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

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Increases:

Take up of End-Year flexibility

- 1 Programme cost
£550,000
RfR: Subhead A2
Drawdown of End Year Flexibility (EYF) - near cash.
- 2 Programme cost
£1,185,000
RfR: Subhead A2
Contributions from other government departments (near cash) to fund protective security measures relating to State and Government assets in central London.

Neutral Changes:

Increased spending offset by income

- 1 Adjustment to Administration costs and Appropriations in Aid
£745,000
RfR: Subhead A1;A5
Contributions from HM Treasury and Office of the Deputy Prime Minister towards the Whitehall Human Resources Shared Services project
 2. Adjustment to Administration costs and Appropriations in Aid
£9,000,000
RfR: Subhead A1;A5
Reduction due to Government News Network moved to Central Office of Information
 3. Adjustment to Administration costs and Appropriations in Aid
£96,000
RfR: Subhead A1;A5
Income from courses run by the Government Chief Social Researcher 's Office.
2. As a result of these changes there is an increase in the net cash requirement of £1,735,000
 3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	1,735,000
Total additional net resource requirement	1,735,000
Additional net cash requirement	1,735,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Cabinet Office on:

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; other Government Ministers; the offices of the Government Whips in the House of Commons and the House of Lords; the Parliamentary Counsel Office; the Cabinet Secretariat; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; grants to certain not for profit organisations; grants to local authorities; expenditure associated with the awards of honours and dignities; certain other services; and associated non-cash items.

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

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					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Cabinet Office	223,163	-6,424	-8,159	1,735	224,898
RfR 1 - B National School of Government	640	-	-	-	640
<i>Support for Local Authorities</i>					
RfR 1 - D Emergency planning grants	606	-	-	-	606
Total RfR 1		-6,424	-8,159	1,735	
Total Changes to RfRs		-6,424	-8,159	1,735	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	25,171	-	25,171
Non-Operating A in A	171	-	171
Net cash requirement	202,854	1,735	204,589

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives								
275,300	66,299	3,145	344,744	118,600	226,144	25,171	171	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Cabinet Office								
228,007	66,299	2,539	296,845	71,947	224,898	23,148	21	
B National School of Government								
30,140	-	-	30,140	29,500	640	763	-	
C Government Car and Despatch Agency								
17,153	-	-	17,153	17,153	-	1,260	150	
<i>Support for Local Authorities</i>								
D Emergency planning grants								
-	-	606	606	-	606	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
<i>Cabinet Office</i>								
-	-	-	-	-	-	-	-	
Total								
275,300	66,299	3,145	344,744	118,600	226,144	25,171	171	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net total Resources	224,409	1,735	226,144
Voted capital items			
Capital expenditure	25,171	-	25,171
<i>Less:</i> non-operating A in A	<u>171</u>	<u>-</u>	<u>171</u>
Total net voted capital	25,000	-	25,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-9,000	-	-9,000
Depreciation	-37,338	-	-37,338
New provisions and adjustments to previous provisions	-200	-	-200
Profit/loss on sale of assets	-	-	-
Proior period adjustments	-	-	-
Other non-cash items	-32	-	-32
Increase(+)/decrease(-) in stock	-	-	-
Increase(+)/decrease(-) in debtors	-	-	-
Increase(-)/decrease(+) in creditors	-	-	-
Use of provisions	<u>15</u>	<u>-</u>	<u>15</u>
Total accruals to cash adjustments	-46,555	-	-46,555
Excess cash to be CFERd	-	-	-
Net cash requirement	202,854	1,735	204,589

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	<u>199,401</u>	
Total Net Administration Costs		199,401
Net Programme Costs		
RfR 1	<u>26,743</u>	
Total net programme costs		26,743
Total Net Operating Cost		226,144
<i>of which:</i>		
Net Resource Outturn		226,144
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		226,144

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	226,144
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	226,144
Resource Budget Outturn (Budget)	226,144
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	226,144
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	25,000
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	25,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	25,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Colin Balmer CB, Accounting Officer and permanent head of department

Colin Balmer CB, as the Accounting Officer (AO) of the Cabinet Office has personal responsibility for the proper presentation of the Cabinet Office's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO, as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Cabinet Office.

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

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives		
Income from minor occupiers and other accommodation income	3,502	-
Sales of services and goods to other government departments, public bodies and the general public	1,932	-
Income relating to Crown copyright work of HMSO	682	
Income relating to central management costs of pensions schemes	9,142	-
Recovery of costs of Cabinet Office staff and Prime Minister's Office	779	-
Income from the trading and programme activities of Government Car & Dispatch Agency	17,153	
Income from the trading activities of the National School of Government	29,500	
Investments (loan repayment by Civil Service Sports Council and London Hostels Association)	-	21
Proceeds from asset disposals	-	150
Other income	232	
Emergency Planning college receipts for training courses and rent	2,232	
Recovery of costs from other government departments for cost sharing arrangements	53,439	
Recoveries in respect of Honours and Dignities	7	

Total RfR 1	118,600 *	171 **
<i>of which: Administration budgets</i>	-	-

** Amount that may be applied as appropriation in aid in addition to the net total, arising from income from minor occupiers of the Department's buildings; sales of services and goods to other government departments, public bodies and general public; administration of Crown copyright by HMSO; sponsorship income; income from the Employment Opportunities Fund; income in respect of central management costs of the Principal Civil Service Pensions Scheme (PCSPS), Civil Service additional Voluntary Contributions Scheme (CSAVC), and the Federated Superannuation Scheme for Universities (FSSU); refunds from the European Community and receipts

in respect of international projects; recovery of costs of staff on loan; recovery from staff for miscellaneous items; recovery of costs incurred by the Prime Minister's Office on official visits; receipts from the trading and programme activities of the Government Car & Despatch Agency and the National School of Government; profit on disposal of fixed assets; Emergency Planning College receipts for training courses; receipts for rent; recovery of legal costs; recoveries of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and dignities; and certain other services.

** Amount that may be applied as non-operating appropriations in aid, arising from repayment of loans by the Civil Service Sports Council and the London Hostels Association; the proceeds from the sale of fixed assets, covering the net book value.

Total A in A	118,600	171
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Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Cabinet Office's Departmental Expenditure Limit (DEL) will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	1,735	226,144	-	226,144
<i>of which: Administration Budget</i>		199,401	-	199,401
Capital	-	25,000	-	25,000
Less depreciation *	-	-37,338	-	-37,338
Total	1,735	213,806	-	213,806

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

Cash which may be retained to offset expenditure

£'000

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

118,771

Security and Intelligence Agencies

Introduction

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

RfR 1: Protecting and promoting the national security and economic well-being of the UK

Increases:

Take up of End Year Flexibility

1. Administration, Programme and Capital
£15,545,000 Administration, £31,074,000 Programme Costs and £43,883,000 capital
Section A
For the expansion of capacity and capability of the Security and Intelligence Agencies

Transfers from Other Government Departments

1. PES Transfer from the Foreign and Commonwealth Office
£1,400,000 Administration
Section A
Funding for language courses
2. PES Transfer from Foreign and Commonwealth Office
£3,688,000 Programme
Section A
Planned programme and conflict prevention
3. PES Transfer from Northern Ireland Office
£131,000 Administration
Section A
To contribute towards administrative funding

Take up of Departmental Unallocated Provision

1. Administration and Capital
£2,400,000 Administration and £1,000,000 Capital
Section A
For the expansion of capacity and capability of the Security and Intelligence Agencies

Neutral Changes:

Increased Spending Offset by Income

1. Additional operating Appropriations-in-Aid.
£1,608,000
Section A
An increase of Administration which is offset by an increase in operating Appropriations-in-Aid
2. Additional non-operating Appropriations-in-Aid
£200,000
Section A
An increase in Capital, which is offset by an increase in non-operating Appropriations-in-Aid
2. As a result of these changes there is an increase in the net cash requirement of £ 99,030,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Protecting and promoting the national security and economic well-being of the UK

54,238,000

Total additional net resource requirement

54,238,000

Additional net cash requirement99,030,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Security and Intelligence Agencies on:

RfR 1: Protecting and promoting the national security and economic well-being of the UK

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

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

Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Protecting and promoting the national security and economic well-being of the UK					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Security and Intelligence Agencies	1,137,322	55,846	1,608	54,238	1,191,560
Total RfR 1		55,846	1,608	54,238	
Total Changes to RfRs		55,846	1,608	54,238	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	199,560	45,083	244,643
Non-Operating A in A	1,683	200	1,883
Net cash requirement	1,135,958	99,030	1,234,988

Part II: revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Protecting and promoting the national security and economic well-being of the UK								
680,151	562,559	-	1,242,710	51,150	1,191,560	244,643	1,883	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Security and Intelligence Agencies								
680,151	562,559	-	1,242,710	51,150	1,191,560	244,643	1,883	
Total for Estimate:								
680,151	562,559	-	1,242,710	51,150	1,191,560	244,643	1,883	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000 <u>Revised</u>
Net total Resources	1,137,322	54,238	1,191,560
Voted capital items			
Capital expenditure	199,560	45,083	244,643
<i>Less: non-operating A in A</i>	<u>1,683</u>	<u>200</u>	<u>1,883</u>
Total net voted capital	197,877	44,883	242,760
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-33,046	-	-33,046
Depreciation	-150,690	-21	-150,711
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	123	21	144
Prior period adjustments	-	-	-
Other non-cash items	-17,786	-91	-17,877
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	2,158	-	2,158
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-199,241	-91	-199,332
Excess cash to be CFERd	-	-	-
Net cash requirement	1,135,958	99,030	1,234,988

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	<u>635,284</u>	
Total Net Administration Costs		635,284
Net Programme Costs		
RfR 1	<u>556,276</u>	
Total Net Programme costs		556,276
Total Net Operating Cost		1,191,560
<i>of which:</i>		
Net Resource Outturn		1,191,560
CFERs		-
Non-voted expenditure		-
Resource Budget Outturn		1,208,160

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	1,191,560
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	-
Consolidated Fund extra receipts (CFERS) in the OCS	-
Other adjustments	-
Net Operating Costs (Accounts)	1,191,560
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	16,600
Other adjustments	-
Resource Budget Outturn (Budget)	1,208,160
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,208,160
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	242,760
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	144
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	6,000
Other adjustments	-
Capital Budget Outturn (Budget)	248,904
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	248,904
Annually Managed Expenditure (AME)	-

Notes to the Estimate

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Sir Richard Mottram, permanent head of department

Sir Richard Mottram, as the Principal Accounting Officer (PAO) of the Security and Intelligence Agencies has personal responsibility for the proper presentation of the Security and Intelligence Agencies' resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO, as the permanent head, in addition to the responsibilities for the assigned RfRs, remains in general overall charge of the Security and Intelligence Agencies.

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

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Protecting and promoting the national security and economic well-being of the UK		
Sales of services, etc.	51,150	-
Sale of surplus properties	-	1,883
Total RfR 1	51,150 *	1,883 **
* Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: the sale of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services.		
** Amount that may be applied as non-operating appropriation in aid including receipts from: the sale of fixed assets and from the sale of freehold interest and land.		
Total A in A	51,150	1,883
<i>of which: Administration budgets</i>	-	-

Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Security and Intelligence Agencies' Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	51,838	1,191,560	16,600	1,208,160
<i>of which : Administration Budget</i>	<i>17,076</i>	<i>635,284</i>	<i>3,000</i>	<i>638,284</i>
Capital	43,883	242,883	6,000	248,883
Depreciation *	21	-150,711	-	-150,711
Total	95,742	1,283,732	22,600	1,306,332

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

Cash which may be retained to offset expenditure

£'000

53,033

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

Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England

Introduction

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

RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Increases:

Other increases

1. DEL Reserve claim

- i) Resources (near cash) - increase of £793,000 (subhead A2)

- To cover significant risks and cost pressures arising from increases in workload, and specialist advice costs on work brought forward from 2004-05, relating to the investigation into the regulation of Equitable Life.

- ii) Resources (non cash) - increase of £98,000 to cover depreciation (subhead A2)

- To cover an increase in depreciation charges arising from expenditure on the on-going capital investment strategy.

- iii) Capital - increase of £1,500,000 (subhead A7)

- To cover the on-going capital investment strategy, which addresses previous under-investment in the Office.

2. As a result of these changes, and the utilisation of an additional £200,000 provision for early departure costs reported in the 2004-05 resource accounts, there is an increase in the net cash requirement of £2,493,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	891,000
Total additional net resource requirement	891,000
Additional net cash requirement	2,493,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England on:

RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England

Administration costs; capital expenditure; providing services to support the Welsh Administration Ombudsman, the Health Service Commissioner for Wales and the Scottish Public Health Services Ombudsman; and associated non-cash items.

The Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England will account for this Estimate.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	21,567	891	-	891	22,458
Total RfR 1		891	-	891	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	1,500	1,500	3,000
Non-Operating A in A	-	-	-
Net cash requirement	22,082	2,493	24,575

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England								
-	22,787	-	22,787	329	22,458	3,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
-	22,787	-	22,787	329	22,458	3,000	-	
Total for Estimate:								
-	22,787	-	22,787	329	22,458	3,000	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net total Resources	21,567	891	22,458
Voted capital items			
Capital expenditure	1,500	1,500	3,000
<i>Less:</i> non-operating A in A	-	-	-
Total net voted capital	1,500	1,500	3,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-75	-	-75
Depreciation	-1,057	-98	-1,155
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-53	-	-53
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	200	200	400
Total accruals to cash adjustments	-985	102	-883
Excess cash to be CFERd	-	-	-
Net cash requirement	22,082	2,493	24,575

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2005-06 provision
Net Administration Costs	
RfR 1	-
Total Net Administration Costs	-
Net Programme Costs	
RfR1	22,458
Net non-voted programme costs	157
Total Net Programme costs	22,615
Total Net Operating Cost	22,615
<i>of which:</i>	
Net Resource Outturn	22,458
CFERs	-
Non-voted expenditure	157
Resource Budget Outturn	22,615

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	22,458
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	157
Symbols are explained in the Introduction to this booklet.	-
Other adjustments	-
Net Operating Costs (Accounts)	22,615
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget Outturn (Budget)	22,615
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	22,615
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	3,000
<i>Adjustments to remove:</i>	
gains/losses from sale of capital assets	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget Outturn (Budget)	3,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Parliamentary Commissioner for Administration and Health Service Commissioner for England (known as the Parliamentary and Health Service Ombudsman (PHSO)) is appointed by Her Majesty by Letters Patent and is ex officio Accounting Officer for the Request for Resources within the Office's Estimate.

Request for Resources 1

Ms Ann Abraham, Parliamentary Commissioner for Administration and Health Service Commissioner for England

Ann Abraham, as the ex officio Accounting Officer of the Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England, has agreed with the Treasury that the Accounting Officer duties as laid down in Government Accounting apply.

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

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England		
Receipts from the Welsh Administration Ombudsman	-	-
Receipts from the Scottish Public Service Ombudsman	-	-
Receipts from the Health Service Commissioner for Wales	25	-
Receipts from the Commission for Local Administration in England	150	-
Receipts from the Commissioner for Information and other departments to which OPHSO staff have been seconded	154	-
Total RfR 1	329 *	-
<i>of which: Administration budgets</i>	-	-

* Amount that may be applied as appropriation in aid in addition to the net total, arising from charges levied on the Welsh Administration Ombudsman, the Health Service Commissioner for Wales, the Scottish Public Services Ombudsman, the Commissioner for local Administration in England and the Commissioner for Information for the provision of ombudsman and support services.

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Office of the Parliamentary Commissioner for Administration and Health Service Commissioner for England's Departmental Expenditure Limit will change as follows:

		New DEL		£'000
	Change	Voted	Non-voted	Total
Resource	891	22,458	157	22,615
<i>of which : Administration Budget</i>	-	-	-	-
Capital DEL	1,500	3,000	-	3,000
Depreciation *	-98	-1,155	-	-1,155
Total	2,293	24,303	157	24,460

* 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.

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