

Central Government Supply Estimates 2009-10
Winter Supplementary Estimates

HC 24 (Session 2009-10)
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24th November 2009

CORRECTION

Please note the following corrections to the Central Government Supply Estimates 2009-10 Winter Supplementary Estimates:

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Department for Business, Innovation and Skills

The second footnote to Part I should be deleted and replaced with the following:

- †† The functions of innovation, universities and skills were transferred from the Department for Innovation, Universities and Skills on 5 June 2009. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government transfer are:
- (a) RfR1 - the Net Resource Requirement is increased by £530,799,000 and the operating appropriations-in-aid are increased by £3,187,000;
 - (b) RfR2 - the Net Resource Requirement is increased by £3,584,149,000 and the operating appropriations-in-aid are increased by £1,000,000;
 - (c) RfR3 - the Net Resource Requirement is increased by £15,340,930,000 and the operating appropriations-in-aid are increased by £8,517,565,000;
 - (d) the non-operating appropriations-in-aid are increased by £1,324,226,000; and
 - (e) the Net Cash Requirement is increased by £22,056,816,000.

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Department for Innovation, Universities and Skills

The footnote to Part I should be deleted and replaced with the following:

- † The functions of innovation, universities and skills were transferred to the Department for Business, Innovation and Skills on 5 June 2009. Within the overall changes sought in this Estimate, the specific changes relating to this Machinery of Government transfer are:
- (a) RfR1 - the Net Resource Requirement is reduced by £15,871,729,000 and the operating appropriations-in-aid are reduced by £8,520,752,000;
 - (b) RfR2 - the Net Resource Requirement is reduced by £3,584,149,000 and the operating appropriations-in-aid are reduced by £1,000,000;
 - (c) the non-operating appropriations-in-aid are reduced by £1,324,226,000; and
 - (d) the Net Cash Requirement is reduced by £22,056,816,000.

March 2010

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Central Government Supply Estimates 2009-10 Winter Supplementary Estimates

November 2009

Central Government Supply Estimates

2009–10

for the year ending 31 March 2010

Winter Supplementary Estimates

Presented by Command of Her Majesty

Ordered by the House of Commons to be printed

24th November 2009

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Section 1. Introduction

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

Supplementary, New and Revised Estimates

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

Out-of-Turn Supplementary Estimates

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

Total Estimates to Date

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

5. The winter Supplementary Estimates and New Estimate presented to Parliament in this and related booklets increase resources by **£6,617,232,000** to **£490,898,928,000** and cash by **£23,998,577,000** to **£510,033,897,000**.

Table 1.1 Total Estimates to date	£ million	
	Resources	Cash
Main Estimates <i>(HC 514, 515, 513, 525)</i>	484,282	486,035
Winter Supplementary Estimates <i>(HC 24 – Section 2 of this booklet)</i>	6,613	23,992
New Estimate <i>(HC 18 – Independent Parliamentary Standards Authority)</i>	4	7
Total	490,899	510,034

6. There are 32 Supplementary Estimates and 1 New Estimate seeking changes to resources and/or cash and these are shown in **Table 1.3**.

International Financial Reporting Standards

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

Public Expenditure: Total Managed Expenditure

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

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

10. The net effect of the Estimates within this booklet, and associated non-voted increases, on the main control aggregates is shown in **Table 1.2**.

Table 1.2 Expenditure within the main budgetary control aggregates, 2009-10		
	£ million	
	Resources	Capital
Change in DEL	955	37
Change in Departmental AME	-1,098	18,099
Total	-143	18,136

Departmental Expenditure Limits

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

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

Administration Budgets

13. **Table 1.5** shows the changes to individual departments’ administration budgets agreed since they were published in Table 2.3 of *Cm 7631*.

Provisional outturn for the first half of 2009-10

14. **Table 1.6** gives provisional estimated outturn for resource Supply expenditure in the first six months of the financial year of 2009-10 on all Estimates.

15. 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 less than 1 per cent below that forecast for the first half-year.

Parliamentary Procedure

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

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

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

Format of Supplementary Estimates

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

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

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

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

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

Appropriations in Aid

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

Public Expenditure:

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

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

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

Appendix

Table 1.3 Supplementary Estimates and New Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Department for Children, Schools and Families			
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills	53,443,016	40,110	53,483,126
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,837,715	-7,430	1,830,285
Net resource requirement‡	55,280,731	32,680	55,313,411
Net cash requirement	55,333,366	32,346	55,365,712
Teachers' Pension Scheme (England & Wales)			
RfR 1: Teachers' pensions	10,346,361	-	10,346,361
Net resource requirement‡	10,346,361	-	10,346,361
Net cash requirement	2,200,492	-	2,200,492
Office for Standards in Education, Children's Services and Skills			
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	178,385	10,000	188,385
Net resource requirement‡	178,385	10,000	188,385
Net cash requirement	180,151	10,000	190,151
Department of Health			
RfR 1: Securing health care for those who need it.	78,757,815	1,284,582	80,042,397
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,294,837	-	3,294,837
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	16,097	-	16,097
Net resource requirement‡	82,068,749	1,284,582	83,353,331
Net cash requirement	81,598,486	1,320,364	82,918,850
National Health Service Pension Scheme			
RfR 1: National Health Service Pension Scheme	12,526,645	-	12,526,645
Net resource requirement‡	12,526,645	-	12,526,645
Net cash requirement	1	-	1
Food Standards Agency			
RfR 1: Protecting and promoting public health in relation to food	134,370	1	134,371
Net resource requirement‡	134,370	1	134,371
Net cash requirement	132,313	4,901	137,214
Department for Transport			
RfR 1: Transport that works for everyone	15,630,092	502,620	16,132,712
Net resource requirement‡	15,630,092	502,620	16,132,712
Net cash requirement	13,258,651	664,876	13,923,527

Table 1.3 Supplementary Estimates and New Estimates by department

£'000

	Present Net Provision	Increase Proposed	New Net Provision
Office of Rail Regulation			
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities though independent, fair and effective regulation	2	-	2
Net resource requirement‡	2	-	2
Net cash requirement	1	-	1
Department for Communities and Local Government			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	12,663,852	658,446	13,322,298
RfR 2: Providing for effective devolved decision making within a national framework	26,080,222	59,976	26,140,198
Net resource requirement‡	38,744,074	718,422	39,462,496
Net cash requirement	38,741,496	782,330	39,523,826
Department for Business, Innovation and Skills			
RfR 1: To help ensure business success in an increasingly competitive world	1,996,271	675,980	2,672,251
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society	-	3,688,205	3,688,205
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills	-	15,331,175	15,331,175
Net resource requirement‡	1,996,271	19,695,360	21,691,631
Net cash requirement	2,547,034	22,395,424	24,942,458
Department for Innovation, Universities and Skills			
RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.	15,871,729	-15,871,729	-
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society.	3,584,149	-3,584,149	-
Net resource requirement‡	19,455,878	-19,455,878	-
Net cash requirement	22,056,816	-22,056,816	-
UK Trade & Investment			
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	96,383	-	96,383
Net resource requirement‡	96,383	-	96,383
Net cash requirement	97,003	-	97,003
Export Credits Guarantee Department			
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	29,574	1	29,575
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports	1	1	2
Net resource requirement‡	29,575	2	29,577
Net cash requirement	1	2	3
Office of Fair Trading			
RfR 1: Advancing and safeguarding the economic interests of UK consumers	66,070	-	66,070
Net resource requirement‡	66,070	-	66,070
Net cash requirement	64,793	-	64,793
Postal Services Commission			
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	-	1
Net resource requirement‡	1	-	1
Net cash requirement	1	-	1

Table 1.3 Supplementary Estimates and New Estimates by department

	£'000		
	Present Net Provision	Increase Proposed	New Net Provision
Home Office			
RfR 1: Working together to protect the public	10,451,669	427,349	10,879,018
Net resource requirement‡	10,451,669	427,349	10,879,018
Net cash requirement	10,600,665	429,459	11,030,124
Charity Commission			
RfR 1: Giving the public confidence in the integrity of charity	30,219	1,000	31,219
Net resource requirement‡	30,219	1,000	31,219
Net cash requirement	29,819	1,615	31,434
Ministry of Justice			
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	9,180,413	229,324	9,409,737
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	26,313,658	730,029	27,043,687
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	12,784,601	37,771	12,822,372
Net resource requirement‡	48,278,672	997,124	49,275,796
Net cash requirement	48,182,143	1,241,508	49,423,651
Ministry of Justice: Judicial Pensions Scheme			
RfR 1: Judicial Pensions Scheme	67,036	-	67,036
Net resource requirement‡	67,036	-	67,036
Net cash requirement	1	-	1
United Kingdom Supreme Court			
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	2,040	-	2,040
Net resource requirement‡	2,040	-	2,040
Net cash requirement	387	1,963	2,350
Northern Ireland Court Service			
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	127,025	17,466	144,491
Net resource requirement‡	127,025	17,466	144,491
Net cash requirement	115,085	17,466	132,551
The National Archives			
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	48,730	-	48,730
Net resource requirement‡	48,730	-	48,730
Net cash requirement	39,079	-	39,079
Crown Prosecution Service			
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	637,995	44,995	682,990
Net resource requirement‡	637,995	44,995	682,990
Net cash requirement	636,453	44,343	680,796

Table 1.3 Supplementary Estimates and New Estimates by department

£'000

	Present Net Provision	Increase Proposed	New Net Provision
Serious Fraud Office			
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	38,932	-	38,932
Net resource requirement‡	38,932	-	38,932
Net cash requirement	40,788	-	40,788
HM Procurator General and Treasury Solicitor			
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	13,630	-	13,630
Net resource requirement‡	13,630	-	13,630
Net cash requirement	15,346	-	15,346
Revenue and Customs Prosecutions Office			
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	36,072	-36,072	-
Net resource requirement‡	36,072	-36,072	-
Net cash requirement	36,072	-36,072	-
Ministry of Defence			
RfR 1: Provision of defence capability	35,832,815	1,025,500	36,858,315
RfR 2: Operations and Peace-Keeping	2,872,089	1	2,872,090
RfR 3: War Pensions and Allowances, etc	1,023,706	-	1,023,706
Net resource requirement‡	39,728,610	1,025,501	40,754,111
Net cash requirement	37,746,164	38,501	37,784,665
Armed Forces retired pay, pensions etc			
RfR 1: Armed Forces retired pay, pensions etc	5,700,315	1	5,700,316
Net resource requirement‡	5,700,315	1	5,700,316
Net cash requirement	1,996,079	1	1,996,080
Foreign and Commonwealth Office			
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,690,188	73,235	1,763,423
RfR 2: Conflict prevention	418,000	51,245	469,245
Net resource requirement‡	2,108,188	124,480	2,232,668
Net cash requirement	2,085,894	84,730	2,170,624
Department for International Development			
RfR 1: Eliminating poverty in poorer countries	5,769,923	-	5,769,923
RfR 2: Conflict prevention	27,200	-	27,200
Net resource requirement‡	5,797,123	-	5,797,123
Net cash requirement	5,595,904	-	5,595,904
Department for International Development: Overseas Superannuation			
RfR 1: Overseas superannuation	71,414	-	71,414
Net resource requirement‡	71,414	-	71,414
Net cash requirement	109,995	-	109,995
Department of Energy and Climate Change			
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	2,878,823	193,506	3,072,329
Net resource requirement‡	2,878,823	193,506	3,072,329
Net cash requirement	3,226,606	112,974	3,339,580

Table 1.3 Supplementary Estimates and New Estimates by department

£'000

	Present Net Provision	Increase Proposed	New Net Provision
UK Atomic Energy Authority Pension Schemes			
RfR 1: Effective management of UKAEA pension schemes	263,131	18,139	281,270
Net resource requirement‡	263,131	18,139	281,270
Net cash requirement	155,243	26,144	181,387
Office of Gas and Electricity Markets			
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.	701	1	702
Net resource requirement‡	701	1	702
Net cash requirement	10,156	4,001	14,157
Department for Environment, Food and Rural Affairs			
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	5,273,818	1	5,273,819
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain	75,179	-	75,179
Net resource requirement‡	5,348,997	1	5,348,998
Net cash requirement	5,236,206	1	5,236,207
Water Services Regulation Authority			
RfR 1: Regulation of the Water Industry	60	-	60
Net resource requirement‡	60	-	60
Net cash requirement	1,135	-	1,135
Department for Culture, Media and Sport			
RfR 1: Improving the quality of life through cultural and sporting activities	1,863,199	84,310	1,947,509
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	3,064,000	-	3,064,000
Net resource requirement‡	4,927,199	84,310	5,011,509
Net cash requirement	4,917,820	86,390	5,004,210
Department for Work and Pensions			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	564,811	-132,679	432,132
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	46,462,940	-296,006	46,166,934
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	12,449,600	46,196	12,495,796
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	18,588,272	133,498	18,721,770
RfR 5: Corporate contracts and support services	732,373	1,107,008	1,839,381
Net resource requirement‡	78,797,996	858,017	79,656,013
Net cash requirement	79,129,373	830,766	79,960,139
Government Equalities Office			
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	85,805	1	85,806
Net resource requirement‡	85,805	1	85,806
Net cash requirement	85,804	1	85,805

Table 1.3 Supplementary Estimates and New Estimates by department**£'000**

	Present Net Provision	Increase Proposed	New Net Provision
Northern Ireland Office			
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	1,208,371	34,522	1,242,893
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.	12,261,001	-	12,261,001
Net resource requirement‡	13,469,372	34,522	13,503,894
Net cash requirement	13,501,688	64,746	13,566,434
HM Treasury			
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all	325,797	22,819	348,616
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	52,500	-2,000	50,500
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers	1,505,350	-	1,505,350
Net resource requirement‡	1,883,647	20,819	1,904,466
Net cash requirement	35,248,862	17,795,819	53,044,681
HM Revenue and Customs			
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	3,978,435	-192,581	3,785,854
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.	1	-	1
RfR 3: Providing payments in lieu of tax relief to certain bodies	155,300	-	155,300
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	32,900	-	32,900
RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments	12,285,000	140,000	12,425,000
Net resource requirement‡	16,451,636	-52,581	16,399,055
Net cash requirement	16,404,754	-51,375	16,353,379
National Savings and Investments			
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	157,107	34,422	191,529
Net resource requirement‡	157,107	34,422	191,529
Net cash requirement	157,388	26,622	184,010
The Statistics Board			
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good	206,246	-	206,246
Net resource requirement‡	206,246	-	206,246
Net cash requirement	201,246	-	201,246
Government Actuary's Department			
RfR 1: Providing an actuarial consultancy service	588	-	588
Net resource requirement‡	588	-	588
Net cash requirement	272	-	272

Table 1.3 Supplementary Estimates and New Estimates by department

£'000

	Present Net Provision	Increase Proposed	New Net Provision
Crown Estate Office			
RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it	2,365	-	2,365
Net resource requirement‡	2,365	-	2,365
Net cash requirement	2,357	-	2,357
Cabinet Office			
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	396,893	16,564	413,457
Net resource requirement‡	396,893	16,564	413,457
Net cash requirement	363,749	17,078	380,827
Security and Intelligence Agencies			
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,857,861	15,430	1,873,291
Net resource requirement‡	1,857,861	15,430	1,873,291
Net cash requirement	1,834,782	101,898	1,936,680
Cabinet Office: Civil superannuation			
RfR 1: Civil superannuation	7,141,000	-	7,141,000
Net resource requirement‡	7,141,000	-	7,141,000
Net cash requirement	1,456,500	-	1,456,500
National School of Government			
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	395	-	395
Net resource requirement‡	395	-	395
Net cash requirement	325	-	325
Central Office of Information			
RfR 1: Achieving maximum communication effectiveness with best value for money	682	-	682
Net resource requirement‡	682	-	682
Net cash requirement	666	-	666
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England			
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	34,226	-	34,226
Net resource requirement‡	34,226	-	34,226
Net cash requirement	34,306	-	34,306
House of Lords			
RfR 1: Members' expenses and administration, etc.	117,341	-	117,341
Net resource requirement‡	117,341	-	117,341
Net cash requirement	98,068	-	98,068
House of Commons: Members			
RfR 1: Members' salaries, allowances and other costs	183,200	-	183,200
Net resource requirement‡	183,200	-	183,200
Net cash requirement	179,640	-	179,640
Total net resource requirement† (Supply Estimates presented by HM Treasury)	483,896,528	6,612,784	490,509,312
Total net cash requirement (Supply Estimates presented by HM Treasury)	485,687,425	23,992,006	509,679,431

Table 1.3 Supplementary Estimates and New Estimates by department

£'000

	Present Net Provision	Increase Proposed	New Net Provision
House of Commons: Administration			
RfR 1: House of Commons: Administrative expenditure	254,254	-	254,254
RfR 2: Grants to Other Bodies	3,746	-	3,746
Net resource requirement‡	258,000	-	258,000
Net cash requirement	212,000	-	212,000
National Audit Office			
RfR 1: Providing independent assurance to Parliament and other organisations on the management of public resources	103,700	-	103,700
Net resource requirement‡	103,700	-	103,700
Net cash requirement	112,500	-	112,500
Electoral Commission			
RfR 1: The Electoral Commission	23,468	-	23,468
Net resource requirement‡	23,468	-	23,468
Net cash requirement	23,395	-	23,395
Independent Parliamentary Standards Authority †			
RfR 1: To support the efficient and effective establishment and administration of the Independent Parliamentary Standards Authority	-	4,448	4,448
Net resource requirement‡	-	4,448	4,448
Net cash requirement	-	6,571	6,571
Total net resource requirement (Supply Estimates presented separately)	385,168	4,448	389,616
Total net cash requirement (Supply Estimates presented separately)	347,895	6,571	354,466
Grand Total net resource requirement	484,281,696	6,617,232	490,898,928
Grand Total net cash requirement	486,035,320	23,998,577	510,033,897

‡ Total resources net of operating appropriations in aid

† New Estimate for Independent Parliamentary Standards Authority

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000				
Department Group	DEL Change	New DEL Of Which	Voted	Non-Voted
Department for Children, Schools and Families				
Resource DEL	1,049	49,040,814	47,742,618	1,298,196
<i>of which:</i> Near-cash in RDEL	1,049	49,077,814	47,740,005	1,337,809
Capital DEL	32,522	7,374,213	3,686,561	3,687,652
Office for Standards in Education, Children's Services and Skills				
Resource DEL	-	191,900	188,385	3,515
<i>of which:</i> Near-cash in RDEL	-	192,685	187,878	4,807
Capital DEL	-	981	981	-
Department of Health				
Resource DEL	186,089	99,949,100	101,418,953	-1,469,853
<i>of which:</i> Near-cash in RDEL	186,089	96,498,551	96,678,684	-180,133
Capital DEL	-172,000	5,400,854	2,638,505	2,762,349
Food Standards Agency				
Resource DEL	1	134,371	134,371	-
<i>of which:</i> Near-cash in RDEL	1	131,698	131,698	-
Capital DEL	-	616	616	-
Department for Transport				
Resource DEL	49,500	6,447,554	5,795,010	652,544
<i>of which:</i> Near-cash in RDEL	49,500	6,104,554	5,423,325	681,229
Capital DEL	-350,000	7,963,602	6,820,737	1,142,865
Office of Rail Regulation				
Resource DEL	-	2	2	-
<i>of which:</i> Near-cash in RDEL	-	-1,082	-1,082	-
Capital DEL	-	750	750	-
Department for Communities and Local Government : Main				
Resource DEL	189	4,545,081	3,891,278	653,803
<i>of which:</i> Near-cash in RDEL	189	4,347,668	3,847,136	500,532
Capital DEL	555,000	9,177,770	2,143,306	7,034,464
Department for Communities and Local Government : Local Government				
Resource DEL	1,135	25,597,051	25,479,000	118,051
<i>of which:</i> Near-cash in RDEL	1,150	25,595,961	25,479,000	116,961
Capital DEL	59,000	165,100	164,122	978
Department for Business, Innovation and Skills				
Resource DEL	17,254,873	18,839,739	-3,515,015	22,354,754
<i>of which:</i> Near-cash in RDEL	15,724,490	17,168,316	-4,937,070	22,105,386
Capital DEL	2,651,908	2,989,962	-486,854	3,476,816
Department for Innovation, Universities and Skills				
Resource DEL	-17,224,490	-	-	-
<i>of which:</i> Near-cash in RDEL	-15,694,107	-	-	-
Capital DEL	-2,647,108	-	-	-

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000				
Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
UK Trade & Investment				
Resource DEL	-	96,362	96,362	-
<i>of which:</i> Near-cash in RDEL	-	96,275	96,275	-
Capital DEL	-	248	248	-
Export Credits Guarantee Department				
Resource DEL	26,957	53,235	53,235	-
<i>of which:</i> Near-cash in RDEL	6,383	31,830	31,830	-
Capital DEL	680	1,102	1,102	-
Office of Fair Trading				
Resource DEL	-	66,070	66,070	-
<i>of which:</i> Near-cash in RDEL	-	63,462	63,462	-
Capital DEL	-	1,331	1,331	-
Postal Services Commission				
Resource DEL	-	1	1	-
<i>of which:</i> Near-cash in RDEL	-	-587	-587	-
Capital DEL	-	150	150	-
Home Office				
Resource DEL	254,080	9,608,354	8,542,585	1,065,769
<i>of which:</i> Near-cash in RDEL	243,352	9,400,127	8,377,062	1,023,065
Capital DEL	8,081	818,081	537,261	280,820
Charity Commission				
Resource DEL	1,000	31,219	31,219	-
<i>of which:</i> Near-cash in RDEL	1,000	30,119	30,119	-
Capital DEL	615	1,315	1,315	-
Ministry of Justice				
Resource DEL	127,353	9,383,427	5,736,008	3,647,419
<i>of which:</i> Near-cash in RDEL	112,353	8,699,278	4,864,500	3,834,778
Capital DEL	100,000	868,534	832,864	35,670
United Kingdom Supreme Court				
Resource DEL	-	3,890	2,040	1,850
<i>of which:</i> Near-cash in RDEL	-	2,237	387	1,850
Capital DEL	-	-	-	-
Northern Ireland Court Service				
Resource DEL	20,000	152,691	58,391	94,300
<i>of which:</i> Near-cash in RDEL	20,000	134,251	40,451	93,800
Capital DEL	-	6,000	6,000	-
The National Archives				
Resource DEL	-	48,730	48,730	-
<i>of which:</i> Near-cash in RDEL	-	36,979	36,979	-
Capital DEL	-	2,100	2,100	-
Crown Prosecution Service				
Resource DEL	44,343	688,191	677,293	10,898
<i>of which:</i> Near-cash in RDEL	44,343	681,449	668,878	12,571
Capital DEL	-	5,200	5,200	-
Serious Fraud Office				
Resource DEL	-	38,932	38,932	-
<i>of which:</i> Near-cash in RDEL	-	37,258	37,258	-
Capital DEL	-	3,530	3,530	-

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000

Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
HM Procurator General and Treasury Solicitor				
Resource DEL	-	13,630	13,630	-
<i>of which:</i> Near-cash in RDEL	-	11,346	11,346	-
Capital DEL	-	4,000	4,000	-
Revenue and Customs Prosecutions Office				
Resource DEL	-36,072	-	-	-
<i>of which:</i> Near-cash in RDEL	-36,072	-	-	-
Capital DEL	-	-	-	-
Ministry of Defence				
Resource DEL	328,772	38,910,953	38,687,508	223,445
<i>of which:</i> Near-cash in RDEL	67,772	26,796,316	26,371,391	424,925
Capital DEL	-71,000	9,049,640	9,048,789	851
Foreign and Commonwealth Office				
Resource DEL	104,745	2,133,633	2,130,633	3,000
<i>of which:</i> Near-cash in RDEL	64,745	1,936,579	1,920,579	16,000
Capital DEL	250	216,310	216,310	-
Department for International Development				
Resource DEL	-27,536	5,412,024	4,299,064	1,112,960
<i>of which:</i> Near-cash in RDEL	-27,536	5,317,024	4,204,064	1,112,960
Capital DEL	-250	1,365,750	1,356,000	9,750
Department of Energy and Climate Change				
Resource DEL	-	1,105,163	-704,781	1,809,944
<i>of which:</i> Near-cash in RDEL	-	1,126,125	-728,313	1,854,438
Capital DEL	-22,700	2,004,605	682,201	1,322,404
Office of Gas and Electricity Markets				
Resource DEL	1	702	702	-
<i>of which:</i> Near-cash in RDEL	1	607	-93	700
Capital DEL	-	950	950	-
Department for Environment, Food and Rural Affairs				
Resource DEL	375	2,709,007	4,001,027	-1,292,020
<i>of which:</i> Near-cash in RDEL	375	2,373,575	3,748,889	-1,375,314
Capital DEL	-4,400	664,515	270,376	394,139
Water Services Regulation Authority				
Resource DEL	-	1	1	-
<i>of which:</i> Near-cash in RDEL	-	-234	-234	-
Capital DEL	80	480	480	-
Department for Culture, Media and Sport				
Resource DEL	8,205	1,688,837	103,335	1,585,502
<i>of which:</i> Near-cash in RDEL	8,205	1,451,837	93,956	1,357,881
Capital DEL	77,500	481,900	-784,204	1,266,104
Department for Work and Pensions				
Resource DEL	-166,843	8,805,256	5,880,783	2,924,473
<i>of which:</i> Near-cash in RDEL	-238,210	8,576,952	5,619,053	2,957,899
Capital DEL	207,762	284,517	283,709	808

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000				
Department Group	DEL Change	New DEL <i>Of Which</i>	Voted	Non-Voted
Government Equalities Office				
Resource DEL	1	78,766	17,806	60,960
<i>of which:</i> Near-cash in RDEL	1	78,456	17,805	60,651
Capital DEL	-5,020	1,980	-	1,980
Scottish Executive				
Resource DEL	167,423	25,588,009	-	25,588,009
<i>of which:</i> Near-cash in RDEL	115,658	24,537,883	-	24,537,883
Capital DEL	251,570	3,964,273	-	3,964,273
National Assembly for Wales				
Resource DEL	208	13,556,345	-	13,556,345
<i>of which:</i> Near-cash in RDEL	208	13,015,032	-	13,015,032
Capital DEL	-	1,722,211	-	1,722,211
Northern Ireland Office				
Resource DEL	3,000	1,189,462	292,868	896,594
<i>of which:</i> Near-cash in RDEL	3,000	969,115	248,936	720,179
Capital DEL	-	76,703	24,238	52,465
Northern Ireland Executive				
Resource DEL	-	8,389,355	-	8,389,355
<i>of which:</i> Near-cash in RDEL	-	8,068,066	-	8,068,066
Capital DEL	-	1,083,605	-	1,083,605
HM Treasury				
Resource DEL	15,000	230,747	209,903	20,844
<i>of which:</i> Near-cash in RDEL	15,000	231,662	200,218	31,444
Capital DEL	-625,000	156,942	154,800	2,142
HM Revenue and Customs				
Resource DEL	-228,968	4,029,188	3,677,851	351,337
<i>of which:</i> Near-cash in RDEL	-218,240	3,741,882	3,356,397	385,485
Capital DEL	-13,081	241,633	241,633	-
National Savings and Investments				
Resource DEL	21,498	183,599	183,599	-
<i>of which:</i> Near-cash in RDEL	21,498	179,104	179,104	-
Capital DEL	-	3,176	3,176	-
The Statistics Board				
Resource DEL	-	212,246	206,246	6,000
<i>of which:</i> Near-cash in RDEL	-	192,246	182,246	10,000
Capital DEL	-	15,000	15,000	-
Government Actuary's Department				
Resource DEL	-	542	542	-
<i>of which:</i> Near-cash in RDEL	-	55	48	7
Capital DEL	-	217	217	-
Cabinet Office				
Resource DEL	16,554	377,969	332,954	45,015
<i>of which:</i> Near-cash in RDEL	16,554	333,191	288,176	45,015
Capital DEL	514	50,985	49,985	1,000
Security and Intelligence Agencies				
Resource DEL	2,140	1,869,501	1,864,501	5,000
<i>of which:</i> Near-cash in RDEL	840	1,521,062	1,516,062	5,000
Capital DEL	-	338,000	338,000	-

Table 1.4 Departmental Expenditure Limits for 2009-10

£'000				
Department Group	DEL Change	New DEL Of Which	Voted	Non-Voted
National School of Government				
Resource DEL	-	395	395	-
<i>of which:</i> Near-cash in RDEL	-	-745	-745	-
Capital DEL	-	1,070	1,070	-
Central Office of Information				
Resource DEL	-	682	682	-
<i>of which:</i> Near-cash in RDEL	-	666	666	-
Capital DEL	-	-	-	-
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England				
Resource DEL	-	34,413	34,226	187
<i>of which:</i> Near-cash in RDEL	-	32,393	31,806	587
Capital DEL	-	2,100	2,100	-
House of Lords				
Resource DEL	-	114,522	114,522	-
<i>of which:</i> Near-cash in RDEL	-	79,308	79,308	-
Capital DEL	-	15,309	15,309	-
House of Commons: Members				
Resource DEL	-	183,200	183,200	-
<i>of which:</i> Near-cash in RDEL	-	179,540	179,540	-
Capital DEL	-	100	100	-
House of Commons: Administration				
Resource DEL	-	258,000	258,000	-
<i>of which:</i> Near-cash in RDEL	-	184,302	184,302	-
Capital DEL	-	19,500	19,500	-
National Audit Office				
Resource DEL	-	103,927	103,700	227
<i>of which:</i> Near-cash in RDEL	-	100,727	99,800	927
Capital DEL	-	11,500	11,500	-
Electoral Commission				
Resource DEL	-	23,468	23,468	-
<i>of which:</i> Near-cash in RDEL	-	22,818	22,718	100
Capital DEL	-	777	777	-
Independent Parliamentary Standards Authority				
Resource DEL	4,448	4,448	4,448	-
<i>of which:</i> Near-cash in RDEL	4,371	4,371	4,371	-
Capital DEL	2,200	2,200	2,200	-
Total Resource DEL	955,030	342,124,704	258,406,281	83,718,423
<i>of which:</i> Near-cash in RDEL	493,962	319,390,104	236,627,584	82,762,520
Total Capital DEL	37,123	56,561,387	28,318,041	28,243,346

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

	£'000		
	Present Administration Budget	change in Administration Budget	Revised Administration Budget
Department for Children, Schools and Families	182,352	-	182,352
Office for Standards in Education, Children's Services and Skills	28,020	-	28,020
Department of Health	213,765	-	213,765
Food Standards Agency	49,893	1	49,894
Department for Transport	275,172	-	275,172
Office of Rail Regulation	2	-	2
Department for Communities and Local Government	272,903	161	273,064
Department for Business, Innovation and Skills	272,949	84,524	357,473
Department for Innovation, Universities and Skills	70,899	-70,899	-
Export Credits Guarantee Department	26,278	26,957	53,235
Office of Fair Trading	64,156	-	64,156
Postal Services Commission	1	-	1
Home Office	404,151	271,389	675,540
Charity Commission	30,219	1,000	31,219
Ministry of Justice	435,720	200	435,920
Northern Ireland Court Service	2,426	-1,000	1,426
Crown Prosecution Service	54,993	-	54,993
HM Procurator General and Treasury Solicitor	13,630	-	13,630
Ministry of Defence	2,237,737	-	2,237,737
Foreign and Commonwealth Office	420,345	6,500	426,845
Department for International Development	158,950	1,000	159,950
Department of Energy and Climate Change	93,512	-	93,512
Office of Gas and Electricity Markets	701	1	702
Department for Environment, Food and Rural Affairs	304,296	-	304,296
Water Services Regulation Authority	1	-	1
Department for Culture, Media and Sport	48,207	6,926	55,133
Department for Work and Pensions	6,364,849	-160,512	6,204,337
Government Equalities Office	8,005	1,600	9,605
Northern Ireland Office	73,926	-	73,926
HM Treasury	165,145	15,000	180,145
HM Revenue and Customs	4,159,275	-201,389	3,957,886
National Savings and Investments	162,101	21,498	183,599
Government Actuary's Department	542	-	542
Cabinet Office	207,833	-1,436	206,397
Security and Intelligence Agencies	85,000	-	85,000
National School of Government	395	-	395
Independent Parliamentary Standards Authority	-	4,448	4,448
Total	16,888,349	5,969	16,894,318

Table 1.6 Six months' provisional outturn by request for resources, 2009-10

	£'000			
	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
Department for Children, Schools and Families				
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills	53,443,016	29,904,850	29,947,220	100.14%
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare	1,837,715	854,276	798,712	93.50%
Net resource requirement‡	55,280,731	30,759,126	30,745,932	99.96%
Teachers' Pension Scheme (England & Wales)				
RfR 1: Teachers' pensions	10,346,361	5,163,217	5,237,501	101.44%
Net resource requirement‡	10,346,361	5,163,217	5,237,501	101.44%
Office for Standards in Education, Children's Services and Skills				
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	178,385	90,713	94,456	104.13%
Net resource requirement‡	178,385	90,713	94,456	104.13%
Department of Health				
RfR 1: Securing health care for those who need it.	78,757,815	38,907,752	38,657,177	99.36%
RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health	3,294,837	1,604,548	1,604,572	100.00%
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts	16,097	7,199	7,199	100.00%
Net resource requirement‡	82,068,749	40,519,499	40,268,948	99.38%
National Health Service Pension Scheme				
RfR 1: National Health Service Pension Scheme	12,526,645	6,263,329	6,423,442	102.56%
Net resource requirement‡	12,526,645	6,263,329	6,423,442	102.56%
Food Standards Agency				
RfR 1: Protecting and promoting public health in relation to food	134,370	59,282	56,586	95.45%
Net resource requirement‡	134,370	59,282	56,586	95.45%
Department for Transport				
RfR 1: Transport that works for everyone	15,630,092	7,714,424	7,265,685	94.18%
Net resource requirement‡	15,630,092	7,714,424	7,265,685	94.18%
Office of Rail Regulation				
RfR 1: To create a better railway for passengers and freight, and better value for public funding authorities through independent, fair and effective regulation	2	N/A	N/A	N/A
Net resource requirement‡	2	N/A	N/A	N/A
Department for Communities and Local Government				
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	12,663,852	5,751,228	5,479,324	95.27%
RfR 2: Providing for effective devolved decision making within a national framework	26,080,222	13,984,617	14,136,482	101.09%
Net resource requirement‡	38,744,074	19,735,845	19,615,806	99.39%

Table 1.6 Six months' provisional outturn by request for resources, 2009-10

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Department for Business, Innovation and Skills †				
RfR 1: To help ensure business success in an increasingly competitive world	2,527,070	1,235,575	1,412,021	114.28%
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society	3,584,149	1,799,769	1,804,547	100.27%
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills and creating excellence in science, knowledge and innovation	15,340,930	7,662,575	7,670,465	100.10%
Net resource requirement‡	21,452,149	10,697,919	10,887,033	101.77%
UK Trade & Investment				
RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and attract a continuing high level of quality foreign direct investment	96,383	40,044	39,893	99.62%
Net resource requirement‡	96,383	40,044	39,893	99.62%
Export Credits Guarantee Department				
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	29,574	12,777	12,511	97.92%
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports	1	N/A	N/A	N/A
Net resource requirement‡	29,575	12,777	12,511	97.92%
Office of Fair Trading				
RfR 1: Advancing and safeguarding the economic interests of UK consumers	66,070	36,330	33,313	91.70%
Net resource requirement‡	66,070	36,330	33,313	91.70%
Postal Services Commission				
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	N/A	N/A	N/A
Net resource requirement‡	1	N/A	N/A	N/A
Home Office				
RfR 1: Working together to protect the public	10,451,669	5,354,167	5,346,174	99.85%
Net resource requirement‡	10,451,669	5,354,167	5,346,174	99.85%
Charity Commission				
RfR 1: Giving the public confidence in the integrity of charity	30,219	14,944	14,667	98.15%
Net resource requirement‡	30,219	14,944	14,667	98.15%
Ministry of Justice				
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	9,180,413	4,644,850	4,397,070	94.67%
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	26,313,658	13,156,822	13,156,822	100.00%
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	12,784,601	6,392,291	6,360,676	99.51%
Net resource requirement‡	48,278,672	24,193,963	23,914,568	98.85%
Ministry of Justice: Judicial Pensions Scheme				
RfR 1: Judicial Pensions Scheme	67,036	33,518	33,518	100.00%
Net resource requirement‡	67,036	33,518	33,518	100.00%

Table 1.6 Six months' provisional outturn by request for resources, 2009-10

	Total Main Estimate Resource Provision	Expenditure in first six months			£'000
		Forecast	Provisional Outturn	Per cent forecast	
United Kingdom Supreme Court					
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	2,040	N/A	N/A	N/A	
Net resource requirement‡	2,040	N/A	N/A	N/A	
Northern Ireland Court Service					
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland	127,025	69,256	81,186	117.23%	
Net resource requirement‡	127,025	69,256	81,186	117.23%	
The National Archives					
RfR 1: Promoting the study of the past in order to inform the present and the future by selecting, preserving and making publicly available public records of historical value and by encouraging high standards of care and public access for archives of historical value outside the public records and leading on UK information management re-use policy, spreading best practice, setting standards and ensuring compliance across the public sector and managing Crown and Parliamentary copyright and delivering cost effective publishing services and advice across government	48,730	24,340	22,720	93.34%	
Net resource requirement‡	48,730	24,340	22,720	93.34%	
Crown Prosecution Service					
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.	637,995	295,632	292,985	99.10%	
Net resource requirement‡	637,995	295,632	292,985	99.10%	
Serious Fraud Office					
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	38,932	19,444	19,444	100.00%	
Net resource requirement‡	38,932	19,444	19,444	100.00%	
HM Procurator General and Treasury Solicitor					
RfR 1: Providing comprehensive and competitive legal services to government departments and publicly funded bodies	13,630	4,303	5,519	128.23%	
Net resource requirement‡	13,630	4,303	5,519	128.26%	
Revenue and Customs Prosecutions Office					
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors	36,072	17,747	16,323	91.98%	
Net resource requirement‡	36,072	17,747	16,323	91.98%	
Ministry of Defence					
RfR 1: Provision of defence capability	35,832,815	17,614,615	17,683,137	100.39%	
RfR 2: Operations and Peace-Keeping	2,872,089	1,220,617	1,190,357	97.52%	
RfR 3: War Pensions and Allowances, etc	1,023,706	506,202	502,530	99.27%	
Net resource requirement‡	39,728,610	19,341,434	19,376,024	100.18%	
Armed Forces retired pay, pensions etc					
RfR 1: Armed Forces retired pay, pensions etc	5,700,315	2,713,637	2,714,065	100.02%	
Net resource requirement‡	5,700,315	2,713,637	2,714,065	100.02%	

Table 1.6 Six months' provisional outturn by request for resources, 2009-10

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Foreign and Commonwealth Office				
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	1,690,188	817,081	824,347	100.89%
RfR 2: Conflict prevention	418,000	214,827	235,324	109.54%
Net resource requirement‡	2,108,188	1,031,908	1,059,671	102.69%
Department for International Development				
RfR 1: Eliminating poverty in poorer countries	5,769,923	2,609,427	2,547,001	97.61%
RfR 2: Conflict prevention	27,200	7,679	7,328	95.43%
Net resource requirement‡	5,797,123	2,617,106	2,554,329	97.60%
Department for International Development: Overseas Superannuation				
RfR 1: Overseas superannuation	71,414	35,702	35,702	100.00%
Net resource requirement‡	71,414	35,702	35,702	100.00%
Department of Energy and Climate Change				
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	2,878,823	1,439,412	1,291,255	89.71%
Net resource requirement‡	2,878,823	1,439,412	1,291,255	89.71%
UK Atomic Energy Authority Pension Schemes				
RfR 1: Effective management of UKAEA pension schemes	263,131	127,406	127,543	100.11%
Net resource requirement‡	263,131	127,406	127,543	100.11%
Office of Gas and Electricity Markets				
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.	701	N/A	N/A	N/A
Net resource requirement‡	701	N/A	N/A	N/A
Department for Environment, Food and Rural Affairs				
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible	5,273,818	2,443,467	2,283,392	93.45%
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain	75,179	39,403	40,701	103.29%
Net resource requirement‡	5,348,997	2,482,870	2,324,093	93.61%
Water Services Regulation Authority				
RfR 1: Regulation of the Water Industry	60	N/A	N/A	N/A
Net resource requirement‡	60	N/A	N/A	N/A

Table 1.6 Six months' provisional outturn by request for resources, 2009-10

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Department for Culture, Media and Sport				
RfR 1: Improving the quality of life through cultural and sporting activities	1,863,199	961,403	957,842	99.63%
RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	3,064,000	1,653,000	1,653,190	100.01%
Net resource requirement‡	4,927,199	2,614,403	2,611,032	99.87%
Department for Work and Pensions				
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years	564,811	300,740	308,378	102.54%
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need	46,462,940	22,153,468	21,873,253	98.74%
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	12,449,600	4,593,401	4,730,869	102.99%
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	18,588,272	9,265,480	9,240,095	99.73%
RfR 5: Corporate contracts and support services	732,373	476,224	457,025	95.97%
Net resource requirement‡	78,797,996	36,789,313	36,609,620	99.51%
Government Equalities Office				
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	85,805	36,257	33,618	92.72%
Net resource requirement‡	85,805	36,257	33,618	92.72%
Northern Ireland Office				
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	1,208,371	620,339	622,169	100.29%
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.	12,261,001	6,130,499	6,130,499	100.00%
Net resource requirement‡	13,469,372	6,750,838	6,752,668	100.03%
HM Treasury				
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all	325,797	162,861	162,861	100.00%
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage	52,500	26,238	16,553	63.09%
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers	1,505,350	752,674	836,735	111.17%
Net resource requirement‡	1,883,647	941,773	1,486,928	157.89%

Table 1.6 Six months' provisional outturn by request for resources, 2009-10

£'000

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
HM Revenue and Customs				
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements	3,978,435	2,091,904	1,998,174	95.52%
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.	1	N/A	N/A	N/A
RfR 3: Providing payments in lieu of tax relief to certain bodies	155,300	59,348	78,743	132.68%
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies	32,900	16,266	16,052	98.68%
RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments	12,285,000	6,209,497	6,192,733	99.73%
Net resource requirement‡	16,451,636	8,370,271	8,276,559	98.88%
National Savings and Investments				
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future	157,107	80,120	80,120	100.00%
Net resource requirement‡	157,107	80,120	80,120	100.00%
The Statistics Board				
RfR 1: To promote and safeguard the production and publication of official statistics that serve the public good	206,246	88,121	83,584	94.85%
Net resource requirement‡	206,246	88,121	83,584	94.85%
Government Actuary's Department				
RfR 1: Providing an actuarial consultancy service	588	N/A	N/A	N/A
Net resource requirement‡	588	N/A	N/A	N/A
Crown Estate Office				
RfR 1: To maintain and enhance the value of The Crown Estate and the return obtained from it	2,365	1,335	1,598	119.70%
Net resource requirement‡	2,365	1,335	1,598	119.70%
Cabinet Office				
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	396,893	200,029	204,845	102.41%
Net resource requirement‡	396,893	200,029	204,845	102.41%
Security and Intelligence Agencies				
RfR 1: Protecting and promoting the national security and economic well being of the UK	1,857,861	853,992	813,652	95.28%
Net resource requirement‡	1,857,861	853,992	813,652	95.28%
Cabinet Office: Civil superannuation				
RfR 1: Civil superannuation	7,141,000	3,796,687	3,766,052	99.19%
Net resource requirement‡	7,141,000	3,796,687	3,766,052	99.19%
National School of Government				
RfR 1: To provide a centre of excellence for learning and development in support of the strategic business priorities of Government	395	N/A	N/A	N/A
Net resource requirement‡	395	N/A	N/A	N/A

Table 1.6 Six months' provisional outturn by request for resources, 2009-10

	Total Main Estimate Resource Provision	Expenditure in first six months		
		Forecast	Provisional Outturn	Per cent forecast
£'000				
Central Office of Information				
RfR 1: Achieving maximum communication effectiveness with best value for money	682	N/A	N/A	N/A
Net resource requirement‡	682	N/A	N/A	N/A
Office of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England				
RfR 1: To undertake the work of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England	34,226	16,320	15,771	96.64%
Net resource requirement‡	34,226	16,320	15,771	96.64%
House of Lords				
RfR 1: Members' expenses and administration, etc.	117,341	58,631	58,631	100.00%
Net resource requirement‡	117,341	58,631	58,631	100.00%
House of Commons: Members				
RfR 1: Members' salaries, allowances and other costs	183,200	82,504	78,011	94.55%
Net resource requirement‡	183,200	82,504	78,011	94.55%
Total net resource requirement‡ (Supply Estimates presented by HM Treasury)	483,896,528	241,589,888	240,783,581	99.67%
House of Commons: Administration				
RfR 1: House of Commons: Administrative expenditure	254,254	113,782	107,014	94.05%
RfR 2: Grants to Other Bodies	3,746	-	-	N/A
Net resource requirement‡	258,000	113,782	107,014	94.05%
National Audit Office				
RfR 1: Providing independent assurance to Parliament and other organisations on the management of public resources	103,700	51,836	51,836	100.00%
Net resource requirement‡	103,700	51,836	51,836	100.00%
Electoral Commission				
RfR 1: The Electoral Commission	23,468	9,282	9,282	100.00%
Net resource requirement‡	23,468	9,282	9,282	100.00%
Total net resource requirement‡ (Supply Estimates presented elsewhere)	385,168	174,900	168,132	96.13%
Grand total net resource requirement‡	484,281,696	241,764,788	240,951,713	99.66%

‡ Total resources net of operating appropriations in aid

† The figures for the Department for Business, Innovation and Skills have been adjusted to reflect the merger of the functions of the former Department for Innovation, Universities and Skills and the former Department for Business, Enterprise and Regulatory Reform.

Section 2.

Supplementary Estimates

Department for Children, Schools and Families

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help 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			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
B	Take up of EYF to increase Capital Grants provision for: Support for Schools and Teachers not paid through Local Education Authorities	132,522,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A	Reduction in programme costs to fund transfer to The Department for Business, Innovation and Skills in respect of the transfer of Crescent Purchasing to the College Sector		-400,000
C	Reduction in programme costs to fund transfer to Ministry of Justice in respect of Implementation of the Children and Adoption Act		-291,000
H	Reduction in programme costs to fund transfer to the Scottish Office in respect of Child Trust Funds		-228,000
<u>Other changes in DEL spending</u>			
G	Decrease in provision for DCSF's contribution to the social housing package as part of Building Britain's Future		-100,000,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
Q	Increase in provision to cover impairment of buildings	334,000	
Q	Adjustment relating to a change in accounting policy as a consequence of implementing International Financial Reporting Standards under IAS 19 Accrued Employee Benefits	171,000	

Other changes**Resource transfers to/from another Request for Resources**

B	Reallocation to RfR1 from RfR2 Section A, to fund National Strategies Early Years programmes	4,500,000
C	Reallocation to RfR1 from RfR2 Section A, to fund the Early Support eprofile	300,000

Resource transfers within the Request for Resources

A	Increase in provision for Activities to Support all Functions	5,381,000
B	Increase in provision in Support for Schools and Teachers not paid through Local Education Authorities	27,925,000
C	Decrease in provision in Support for Children and Families not paid through Local Authorities	-89,819,000
D	Decrease in provision in Support for Youth not paid through Local Authorities	-120,000
H	Increase in provision for Current Grants to Local Authorities to Support Children and Families	55,110,000
K	Increase in provision for Area Based Grants	1,523,000

Transfers to/from non-voted spending

	To decrease provision for:	
B	Support for Schools and Teachers not paid through Local Education Authorities	-74,738,000
C	Support for Children and Families not paid through Local Authorities	-18,218,000
G	Capital Grants for Local Education Authorities to support Schools	-2,606,951,000

Increases in non-budget spending

	To increase grant-in-aid provision for:	
N	British Educational Communications and Technology Agency	52,950,000
N	National College for Leadership of Schools and Children's Services	3,748,000
N	Partnership for Schools	2,622,516,000
N	Training and Development Agency for Schools	17,320,000
O	Children's Workforce Development Council	100,000
P	Qualifications and Curriculum Authority	6,475,000

Totals**2,930,875,000 -2,890,765,000****Total RfR 1****40,110,000**

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

Section Reason for Change

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

B	Increase in programme costs to fund transfer from the Department for Work and Pensions in respect of Child Poverty	572,000	
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Other changes

Resource transfers to/from another Request for Resources

A	Reallocation to RfR1 Section B from RfR2, to fund National Strategies Early Years programmes	-4,500,000	
A	Reallocation to RfR1 Section C from RfR2, to fund the Early Support eprofile	-300,000	

Transfers to/from non-voted spending

A	Decrease in provision for Support for Sure Start, Early Years and Childcare to offset increase in non-voted spending by the Qualifications and Curriculum Authority	-202,000	
A	Decrease in provision for Support for Sure Start, Early Years and Childcare to offset increase in non-voted spending by the Children's Workforce Development Council	-350,000	
A	Decrease in provision for Support for Sure Start, Early Years and Childcare to offset increase in non-voted spending by the National College for Leadership of Schools and Children's Services	-3,000,000	

Increases in non-budget spending

D	Children's Workforce Development Council	350,000	
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Totals

	922,000	-8,352,000	
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Total RfR 2

-7,430,000

Total change in resources for Estimate:

32,680,000

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £32,346,000
- Symbols are explained in the Introduction to this booklet.

Department for Children, Schools and Families

Part I

	£
Request for Resources 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills†*	40,110,000
Request for Resources 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare†	-7,430,000
Total additional net resource requirement	32,680,000
Additional net cash requirement*	32,346,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for Children, Schools and Families on:

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

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

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

payments to the Department for Communities and Local Government to support Area Based Grants; investments and loans to support PFI; payments to the Department for Business, Innovation and Skills in connection with the Regional Development Agencies and the London Development Agency; to local voluntary, community and business support organisations; grant in aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; payments for the administration of Department for Business, Innovation and Skills provided under a shared service agreement; information and publicity services;

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

compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

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

promoting the physical, intellectual and social development of babies and young children; childcare initiatives including quality assurance arrangements, children's centres; the education of under-fives; supporting families and communities; promoting Children's Wellbeing; evaluating the programme; Grant in Aid to the Children's Workforce Development Council; the administration of the Sure Start Unit; and associated non-cash items.

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

† The reduction in net resources of £7,430,000 on RfR2 is offset by a reallocation of resources to RfR1

* £70,000 has been advanced from the Contingencies Fund to provide cash in respect of £70,000 resources supporting the new service provided for under Section B of the Estimate. A corresponding cash amount is required to enable repayment to be made to the Fund.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: 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						
		40,110	-	40,110		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Activities to Support all Functions	212,014	4,981	-	4,981	216,995
B	Support for Schools and Teachers not through Local Education Authorities	2,243,253	90,209	-	90,209	2,333,462
C	Support for Children and Families not paid through Local Authorities	673,265	-108,028	-	-108,028	565,237
D	Support for Youth not paid through Local Authorities	7,813,198	-120	-	-120	7,813,078
<i>Support for Local Authorities</i>						
G	Capital Grants for Local Education Authorities to Support Schools	5,304,812	-2,706,951	-	-2,706,951	2,597,861
H	Current Grants to Local Authorities to support Children and Families	106,229	54,882	-	54,882	161,111
K	Area Based Grants	1,302,401	1,523	-	1,523	1,303,924
Non-Budget						
N	Grant in Aid to NDPBs supporting Schools	860,431	2,696,534	-	2,696,534	3,556,965
O	Grant in Aid to NDPBs supporting Children and Families	169,943	100	-	100	170,043
P	Grant in Aid to NDPBs supporting Youth	145,494	6,475	-	6,475	151,969
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
Q	Activities to Support All Functions (AME)	-	505	-	505	505

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare					
		-7,430	-	-7,430	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Support for Sure Start, Early Years and Childcare not paid through Local Authorities	66,489	-8,352	-	-8,352	58,137
<i>Support for Local Authorities</i>					
B Current Grants to Local Authorities to support Sure Start, Early Years and Childcare	1,364,201	572	-	572	1,364,773
Non-Budget					
D Grant in Aid to NDPBs supporting Children and Families	24,000	350	-	350	24,350
Total for Estimate:		32,680	-	32,680	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	19,600	-	19,600
Non-Operating A in A	-	-	-
Net cash requirement	55,333,366	32,346	55,365,712

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills								
193,850	567,500	52,785,192	53,546,542	63,416	53,483,126	19,600	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Activities to Support all Functions							
193,850	33,784	993	228,627	11,632	216,995	10,900	-	
B	Support for Schools and Teachers not through Local Education Authorities							
-	118,666	2,218,321	2,336,987	3,525	2,333,462	8,700	-	
C	Support for Children and Families not paid through Local Authorities							
-	241,778	343,434	585,212	19,975	565,237	-	-	
D	Support for Youth not paid through Local Authorities							
-	159,767	7,668,595	7,828,362	15,284	7,813,078	-	-	
E	Compensation to Former College of Education Staff							
-	-	11,793	11,793	-	11,793	-	-	
<i>Support for Local Authorities</i>								
F	Current Grants for Local Education Authorities to Support Schools and Teachers							
-	-	4,008,714	4,008,714	-	4,008,714	-	-	
G	Capital Grants for Local Education Authorities to Support Schools							
-	-	2,597,861	2,597,861	-	2,597,861	-	-	
H	Current Grants to Local Authorities to support Children and Families							
-	-	161,111	161,111	-	161,111	-	-	
I	Capital Grants to Local Authorities to support Children and Families							
-	-	95,712	95,712	-	95,712	-	-	
J	Dedicated Schools Grant							
-	-	30,486,210	30,486,210	-	30,486,210	-	-	
K	Area Based Grants							
-	13,000	1,303,924	1,316,924	13,000	1,303,924	-	-	
L	Capital Grants to Local Authorities to Support Youth Programmes							
-	-	1	1	-	1	-	-	
M	Current Grants to Local Authorities to Support Youth Programmes							
-	-	9,546	9,546	-	9,546	-	-	
Non-Budget								
N	Grant in Aid to NDPBs supporting Schools							
-	-	3,556,965	3,556,965	-	3,556,965	-	-	

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
O	Grant in Aid to NDPBs supporting Children and Families	-	-	170,043	170,043	-	170,043	-	-
P	Grant in Aid to NDPBs supporting Youth	-	-	151,969	151,969	-	151,969	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
Q	Activities to Support All Functions (AME)	-	505	-	505	-	505	-	-
RfR 2: Promoting the physical, intellectual and social development of babies and young children through Sure Start, Early Years Provision and Childcare									
		-	5,707	1,824,578	1,830,285	-	1,830,285	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Support for Sure Start, Early Years and Childcare not paid through Local Authorities	-	5,707	52,430	58,137	-	58,137	-	-
<i>Support for Local Authorities</i>									
B	Current Grants to Local Authorities to support Sure Start, Early Years and Childcare	-	-	1,364,773	1,364,773	-	1,364,773	-	-
C	Capital Grants to Local Authorities to support Sure Start, Early Years and Childcare	-	-	383,025	383,025	-	383,025	-	-
Non-Budget									
D	Grant in Aid to NDPBs supporting Children and Families	-	-	24,350	24,350	-	24,350	-	-
Total for Estimate:									
		193,850	573,207	54,609,770	55,376,827	63,416	55,313,411	19,600	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	55,280,731	32,680	55,313,411
Voted capital items			
Capital	19,600	-	19,600
Less Non-operating A-in-A	-	-	-
Total net voted capital	19,600	-	19,600
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	6,691	-	6,691
Depreciation	-7,932	-334	-8,266
New provisions and adjustments to previous provisions	-922	-	-922
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-450	-	-450
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	35,648	-	35,648
Total accruals to cash adjustments	33,035	-334	32,701
Excess cash to be CFERd	-	-	-
Net Cash Requirement	55,333,366	32,346	55,365,712

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

182,352

RfR 2

-

Total Net Administration costs

182,352
Net Programme Costs

RfR 1

53,300,774

RfR 2

1,830,285

Non-voted

-

Total Net Programme costs

55,131,059
Total Net Operating Cost**55,313,411***of which:*

Net Resource Requirement

55,313,411

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget**49,041,319**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	55,313,411
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	55,313,411
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-3,458,961
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-2,877,236
Unallocated resource provision	64,105
Other adjustments	-
Resource Budget (Budget)	49,041,319
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	49,040,814
Annually Managed Expenditure (AME)	505

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	19,600
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	3,358,487
Capital grants	3,458,961
European Union income related to capital grants	-
Supported capital expenditure (revenue)	954,002
Capital spending by levy funded bodies	-
Unallocated capital provision	55,513
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-472,350
Capital Budget (Budget)	7,374,213
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,374,213
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	11,498
<i>of which:</i>	
Sale of goods and services	11,498
Programme	51,918
<i>of which:</i>	
Sale of goods and services	3,129
Other grant income (including repayments of grants/subsidies)	15,284
Other income (including receipts)	33,505

Total RfR 1	63,416†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sale of National Record of Achievement products; receipts in connection with Childcare Link; recovery of salaries, etc. for seconded staff; receipts from careers service conferences; receipts relating to Qualifications and Curriculum Authority properties and surplus Funding Agency for Schools; receipts from outside organisations (including the EC) in respect of advertising and publicity activities and materials; sale of research publications; repayments of grants overpaid to voluntary aided and special schools in previous years, including repayment of proceeds of sale; receipts from the European Social Fund to cover departmental programmes supported by the EC; general administration receipts, including those in connection with services provided to Sure Start; receipts from the Department for Business, Innovation and Skills for administration shared services; contributions from the National Assembly for Wales towards Key Skills; contributions from the National Assembly for Wales and the Scottish Executive for dance and drama students; contributions from the Scottish Executive, the National Assembly for Wales, and the Northern Ireland Executive towards Millennium Volunteers and miscellaneous European Education programmes; contributions from the National Assembly for Wales and the Northern Ireland Executive for the International Mathematics Olympiad; annual maintenance fee from the Northern Ireland Executive for the National Professional Qualification for Headship; contributions from other government departments and other sources towards the costs of promoting UK education and training overseas; receipts for Teachers TV; International Receipts (including the EC); Schools Standard Fund receipts; Music Manifesto Champion; Food Standards Agency receipts; and of research and miscellaneous services and projects; inspection of Jobcentre Plus from the Department of Work and Pensions; Strengthening Families receipts from the Home Office; Literacy and Numeracy receipts; London Challenge receipts; receipts from the Department of Health for Investors in People Healthy Organisations; contributions from other Government Departments to support schools, children's programmes and youth work; receipts from the Department for Communities and Local Government for Community Cohesion; receipts from other Government Departments for Academies and Area Based Grants.

Total Operating A in A	63,416
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-28,340	29,389	47,742,618	1,298,196	49,040,814
<i>of which: †</i>					
Administration budget	-	-	182,352	-	182,352
Near-cash in RDEL	-28,340	29,389	47,740,005	1,337,809	49,077,814
Capital DEL ††	-2,642,944	2,675,466	3,686,561	3,687,652	7,374,213
Less Depreciation †††	-	-	-7,932	-3,559	-11,491
Total DEL	-2,671,284	2,704,855	51,421,247	4,982,289	56,403,536

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	63,416

Notes to the Estimate (*continued*)

Changes in Accounting Policies

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

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1- N	British Educational Communications and Technology Agency ♥	94,910
RfR1- N	National College for Leadership of Schools and Children's Services ♥	88,683
RfR1- N	Schools Food Trust ♥	7,001
RfR1- N	Training and Development Agency for Schools ♥	723,855
RfR1- N	Partnerships for Schools ♦	2,642,516
RfR1- O	Children and Families Court Advisory and Support Service ♥	122,274
RfR1- O	Children's Commissioner ♥	2,704
RfR1- O	Childrens' Workforce Development Council ♥	45,065
RfR1- P	Qualifications and Curriculum Authority ♥	151,969
RfR2- D	Childrens' Workforce Development Council ♥	24,350
	Total	3,903,327

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
As at 31 March 2009, the following liabilities fell to be met from the Department's Estimate:	
Non-statutory	
In order to ensure the continued occupancy of a surplus government office, the lease of the property in Histon, Cambridge was assigned in 2003 to Opportunity Links Ltd. They are a company limited by guarantee, working closely with the DCSF to support the delivery of information to families. Under the terms of the original lease the Secretary of State is guarantor of the tenants' obligations and in the event of Opportunity Links ceasing to exist, the Secretary of State will be required to take over the lease obligations.	1,382
Qualification and Curriculum Authority indemnity - Minerva Diploma Aggregation Service (DAS) in respect of claims against the Qualifications and Curriculum Authority (QCA)	46,000
The Department will give an indemnity to the landlord for the property now occupied by Ofqual, an independent part of the Qualifications and Curriculum Authority (QCA)	3,650
The Department will give an indemnity in respect of legal claims against the Qualifications and Curriculum Authority (QCA) arising from claims materialising from the National Curriculum Test (NCT) 2009 contract.	2,000
The Department has entered into two contingent liabilities in connection to Private Finance Initiative (PFI) contracts in respect of Bristol Brunel Academy and Oasis Academy Brightstowe. The Department will provide an indemnity to the local authority for potential costs on buildings they own, with existing PFI arrangements, that will be used by the two academies.	unquantifiable

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

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

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

Section Reason for Change

Changes related to movements in budgets

Take up of Departmental Unallocated Provision

A2	Take up of unallocated provision to cover increased expenditure on existing services	10,000,000	
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Totals

	10,000,000	-
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Total RfR 1	10,000,000	
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Total change in resources for Estimate:	10,000,000	
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £10,000,000
3. Symbols are explained in the Introduction to this booklet.

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

Part I

	£
Request for Resources 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	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 2010 for expenditure by the Office for Standards in Education, Children's Services and Skills on:

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

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting					
		10,000	-	10,000	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration and Inspection	178,385	10,000	-	10,000	188,385
Total for Estimate:		10,000	-	10,000	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	981	-	981
Non-Operating A in A	-	-	-
Net cash requirement	180,151	10,000	190,151

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A	
1	2	3	4	5	6		7	8	
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting									
28,115	174,770	-	202,885	14,500	188,385		981	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration and Inspection									
28,115	174,770	-	202,885	14,500	188,385		981	-	
Total for Estimate:									
28,115	174,770	-	202,885	14,500	188,385		981	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	178,385	10,000	188,385
Voted capital items			
Capital	981	-	981
Less Non-operating A-in-A	-	-	-
Total net voted capital	981	-	981
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	730	-	730
Depreciation	-894	-	-894
New provisions and adjustments to previous provisions	-278	-	-278
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-	-65
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	1,292	-	1,292
Total accruals to cash adjustments	785	-	785
Excess cash to be CFERd	-	-	-
Net Cash Requirement	180,151	10,000	190,151

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

28,020

Total Net Administration costs

28,020**Net Programme Costs**

RfR 1

160,365

Non-voted

-

Total Net Programme costs

160,365**Total Net Operating Cost****188,385***of which:*

Net Resource Requirement

188,385

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget**191,900**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	188,385
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	188,385
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	3,515
Other adjustments	-
Resource Budget (Budget)	191,900
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	191,900
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	981
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	981
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	981
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	95
<i>of which:</i>	
Sale of goods and services	95
Programme	14,405
<i>of which:</i>	
Sale of goods and services	14,405

Total RfR 1	14,500†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: transactions with departmental, public and other government bodies; miscellaneous asset sales and recoveries, property charges made to minor occupiers, registration and inspection fees within our remit (as applicable); commissioned work; and charges for training of inspectors other than Ofsted staff (including training material and licences).

Total Operating A in A	14,500
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	10,000	-10,000	188,385	3,515	191,900
<i>of which:†</i>					
Administration budget	-	-	28,020	-	28,020
Near-cash in RDEL	10,000	-10,000	187,878	4,807	192,685
Capital DEL††	-	-	981	-	981
Less Depreciation†††	-	-	-894	-	-894
Total DEL	10,000	-10,000	188,472	3,515	191,987

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	14,500

Department of Health

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Securing health care for those who need it.			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from central funds</u>			
A2	Increase in round 9 Invest to Save Budget addition.	60,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Net transfer with the Ministry of Justice mainly for settlement of prison health care costs, offset by costs of mental health review tribunals and family health service appeals authority which are now administered by the Tribunal service.	12,633,000	
A2	Transfer from the Home Office for lower than anticipated costs of the Migration Impact fund.	1,396,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
G2	Increased provision following modern equivalent asset valuation.	175,000,000	
<u>Other changes</u>			
<u>Transfers to/from non-voted spending</u>			
A2	Transfer of provider sector surpluses (off vote) to cover on vote expenditure.	800,000,000	
A2	Transfer to non voted budgets to allow for the changes made following introduction of International Financial Reporting Standards		-115,725,000
A2	Transfer from non voted capital budgets to cover on vote revenue expenditure.	172,000,000	
<u>Increases in non-budget spending</u>			
J2	Changes following the introduction of International Financial Reporting Standards.	239,218,000	

<u>Totals</u>	1,400,307,000	-115,725,000
<u>Total RfR 1</u>		1,284,582,000
<u>Total change in resources for Estimate:</u>		1,284,582,000

Changes in capitalSection Reason for Change**RfR 1: Securing health care for those who need it.****Other changes**Changes in non-budget spending

J7	Changes following the introduction of International Financial Reporting Standards.	353,238,000	
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<u>Totals</u>	353,238,000	-
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<u>Total RfR 1</u>		353,238,000
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<u>Total changes in capital for Estimate:</u>		353,238,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £1,320,364,000
3. Symbols are explained in the Introduction to this booklet.

Department of Health

Part I

	£
Request for Resources 1: Securing health care for those who need it.	1,284,582,000
Total additional net resource requirement	1,284,582,000
Additional net cash requirement	1,320,364,000

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

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

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

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

Revenue and capital administration, including certain expenditure on behalf of the Department for Work and Pensions and the National Health Service in England; departmental agencies, centrally funded health and social services (including non-departmental public bodies and special health authorities some of which are administered on a United Kingdom basis); including other local government services, prison health services, medical, scientific and technical services, services for disabled persons, grants to voluntary organisations and other bodies, information services for health and personal social services; health promotion activities (including those funded through the Department for Culture, Media and Sport); provision of personal social services (including grants to local authorities); payments to local authorities for use in local area agreements; medical treatment given to people from the United Kingdom in the European Economic Area and other countries ;

welfare food; Home Office inspection of laboratories; grants in aid; payments and subscriptions to international organisations; education and training for all health care professionals (excluding doctors); the Employment Opportunities Fund programme; services provided to or on behalf of the Scottish Government, Welsh Assembly Government, Northern Ireland and the Medicines and Healthcare Products Regulatory Agency, and associated non-cash items

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

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Securing health care for those who need it.		1,284,582	-	1,284,582	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Strategic health authorities and primary care trusts unified budgets and central allocations	95,849,513	870,364	-	870,364	96,719,877
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
G Hospital financing for credit guarantee finance pilot projects and certain health authority and primary care trust impairments.	355,058	175,000	-	175,000	530,058
Non-Budget					
J IFRS non budget changes*	-	239,218	-	239,218	239,218
Total for Estimate:		1,284,582	-	1,284,582	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	3,742,085	353,238	4,095,323
Non-Operating A in A	601,000	-	601,000
Net cash requirement	81,598,486	1,320,364	82,918,850

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

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Securing health care for those who need it.								
-	102,105,519	717,413	102,822,932	22,780,535	80,042,397	4,073,271	601,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Strategic health authorities and primary care trusts unified budgets and central allocations							
-	98,818,461	423,278	99,241,739	2,521,862	96,719,877	2,220,033	70,000	
B	FHS - pharmaceutical services							
-	1,145,000	-	1,145,000	-	1,145,000	-	-	
C	FHS - prescription charges income							
-	-	-	-	431,000	-431,000	-	-	
D	FHS - general ophthalmic services							
-	468,000	-	468,000	-	468,000	-	-	
E	Research and Development							
-	894,866	-	894,866	1,000	893,866	-	-	
<i>Support for Local Authorities</i>								
F	Strategic health authorities and primary care trusts grants to local authorities							
-	-	194,000	194,000	-	194,000	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
G	Hospital financing for credit guarantee finance pilot projects and certain health authority and primary care trust impairments.							
-	539,974	-	539,974	9,916	530,058	-	-	
Non-Budget								
H	Grant in aid to non-departmental public bodies, NHS trusts and foundation trusts PDC issues and repayments, NHS trusts and foundation trusts loans and repayments and repayment of interest							
-	-	100,135	100,135	1,266,000	-1,165,865	1,500,000	531,000	
I	NHS contributions							
-	-	-	-	18,550,757	-18,550,757	-	-	
J	IFRS non budget changes							
-	239,218	-	239,218	-	239,218	353,238	-	
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								
217,680	1,139,631	2,003,005	3,360,316	65,479	3,294,837	22,052	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Central department							
217,680	12,215	-	229,895	3,915	225,980	20,968	-	

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating	
1	2	3	4	5	6		7	A in A	8
B	NHS Purchasing and Supplies Authority	-	30,928	-	30,928	2,341	28,587	1,084	-
C	Other services including medical, scientific and technical services, grants to voluntary bodies, information services and health promotion activities.	-	269,884	28,816	298,700	3,913	294,787	-	-
D	Welfare food European Economic Area and other countries medical costs	-	826,500	-	826,500	54,734	771,766	-	-
E	Other personal social services	-	104	226,436	226,540	575	225,965	-	-
F	Medicines and Healthcare Products Regulatory Agency loans, repayment of loans and interest on loans.	-	-	-	-	1	-1	-	-
Support for Local Authorities									
G	AIDS support grant	-	-	24,900	24,900	-	24,900	-	-
H	Extra Care housing grant	-	-	40,000	40,000	-	40,000	-	-
I	Area Based Grant	-	-	968,326	968,326	-	968,326	-	-
J	Learning Disabilities	-	-	31,000	31,000	-	31,000	-	-
K	Transforming Personalisation, Prevention & Well-being (TPPW)	-	-	192,000	192,000	-	192,000	-	-
L	Stroke Strategy	-	-	15,000	15,000	-	15,000	-	-
M	Common Assessment Framework	-	-	11,000	11,000	-	11,000	-	-
N	Social Care Infrastructure	-	-	16,000	16,000	-	16,000	-	-
O	Social Care Capital	-	-	27,727	27,727	-	27,727	-	-
P	Mental Health Capital	-	-	22,593	22,593	-	22,593	-	-
Non-Budget									
Q	Grant in Aid funding of non-departmental public bodies and special health authorities	-	-	399,207	399,207	-	399,207	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6		7	8
RfR 3: Office of the Independent Regulator for NHS Foundation Trusts								
-	-	16,097	16,097	-	16,097		-	-
Non-Budget								
A Grant in aid funding to the Office of the Independent Regulator for NHS foundation trusts								
-	-	16,097	16,097	-	16,097		-	-
Total for Estimate:								
217,680	103,245,150	2,736,515	106,199,345	22,846,014	83,353,331		4,095,323	601,000

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	82,068,749	1,284,582	83,353,331
Voted capital items			
Capital	3,742,085	353,238	4,095,323
Less Non-operating A-in-A	601,000	-	601,000
Total net voted capital	3,141,085	353,238	3,494,323
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-703,228	827	-702,401
Depreciation	-1,280,694	-282,487	-1,563,181
New provisions and adjustments to previous provisions	-3,120,739	-	-3,120,739
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-522	-	-522
Increase (+) / Decrease (-) in stock	-	-100,000	-100,000
Increase (+) / Decrease (-) in debtors	-60	-	-60
Increase (-) / Decrease (+) in creditors	-	64,204	64,204
Use of provisions	1,493,895	-	1,493,895
Total accruals to cash adjustments	-3,611,348	-317,456	-3,928,804
Excess cash to be CFERd	-	-	-
Net Cash Requirement	81,598,486	1,320,364	82,918,850

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	-
RfR 2	213,765
RfR 3	-
Total Net Administration costs	213,765

Net Programme Costs

RfR 1	80,042,397
RfR 2	3,081,072
RfR 3	16,097
Non-voted	-
Total Net Programme costs	83,139,566

Total Net Operating Cost**83,353,331***of which:*

Net Resource Requirement	83,353,331
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**101,456,467**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision
Net Resource Requirement (Estimates)	83,353,331
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	83,353,331
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-466,420
European Union income related to capital grants	-
Voted expenditure outside the budget	19,577,539
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-1,125,035
Unallocated resource provision	103,012
Other adjustments	14,040
Resource Budget (Budget)	101,456,467
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	99,949,100
Annually Managed Expenditure (AME)	1,507,367

Reconciliation of capital expenditure between Estimates and Budgets

£'000

	2009-10 Provision
Net Voted Capital (Estimates)	3,494,323
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	2,762,349
Capital grants	466,420
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-1,322,238
Capital Budget (Budget)	5,400,854
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	5,400,854
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

Request for Resources 2: Mr Hugh Taylor, Permanent Head

Request for Resources 3: Mr Hugh Taylor, Permanent Head

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	22,780,535
<i>of which:</i>	
Sale of goods and services	2,953,862
Regulatory licences, fines, penalties and taxes	18,550,757
Interest and dividends	1,275,916
Total RfR 1	22,780,535†

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

prescription fraud charges; income from NHS prescription, dental and ophthalmic fraud charges; recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and the Purchasing and Supply Agency arrangements; income from the sale of medicines, vaccines, antivenoms, antitoxins and equipment; income from premiums applied to the sale of stock; contributions from employers and employees towards the cost of the NHS; income from social exclusion programmes and Agenda for Change programme; income from the Scottish Government, the Welsh Assembly Government, Northern Ireland, Channel Islands and Isle of Man for services provided for devolved or reserved work; income from provision of policy and advice to other countries and care trusts; income in connection with the maintenance of the National Joint Registry; income of the Commission for Patient and Public Involvement in Health; income from conference events; income for prison healthcare including income from the Ministry of Justice; income for substance misuse funding including from the Department of Children, Schools and Families; income from radio communication bandwidth; income secured by counter fraud services from all sources including compensatory elements and refunds; compensation income including the National programme for IT; and payments of interest and dividends on PDC by NHS trusts and NHS foundation trusts.

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

Administration	3,915
<i>of which:</i>	
Sale of goods and services	3,915
Programme	61,564
<i>of which:</i>	
Sale of goods and services	61,563
Interest and dividends	1
Total RfR 2	65,479†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: administration income from seconded officers; cost of legal proceedings; Employment Opportunities Fund programme; staff telephone calls; staff lease cars scheme; European Fast Stream programme; recoveries from other government departments and non-departmental public bodies; income from the NHS, local authorities, and Medicines and Healthcare Products Regulatory Agency for goods and services; staff accommodation; reimbursement of meetings expenses and selling services into wider markets; library income and open government; income from commercial tenants in DH buildings; NHS Purchasing and Supplies Authority income for supplier rebates, seconded and hired officers, staff telephone calls, access for non-NHS bodies to supply contracts, recharge of meeting expenses, recharge of course and exam expenses, course and event cancellation charges, retention of staff training course deposits, staff lease car scheme and health protection work; licence fees and royalties;

sales of publications on equipment for the disabled; sale of publications; contributions by members of the public; insurance claims; income by the Human Fertilisation and Embryology Authority, National Biological Standards Board, Health Protection Agency, Health Development Agency, Human Tissue Authority, General Social Care Council, Care Quality Commission, income from other European economic area countries for NHS treatment of their residents; sale of subsidised dried milk; income from the European Community; contributions from the mobile phone industry; charitable contributions for developing pilot projects with voluntary organisations; refunds from voluntary organisations;

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

Total Operating A in A **22,846,014**

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

£'000

2009-10

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

Programme	601,000
<i>of which:</i>	
Sale of assets	70,000
Loan, etc, repayments	531,000
Total RfR 1	601,000†

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

Total Non-Operating A in A **601,000**

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL		
	Voted	Non-voted	Voted	Non-voted	Total	
Resource DEL	870,364	-684,275	101,418,953	-1,469,853	99,949,100	
<i>of which: †</i>						
Administration budget	-	-	213,765	-	213,765	
Near-cash in RDEL	870,364	-684,275	96,678,684	-180,133	96,498,551	
Capital DEL ††	-	-172,000	2,638,505	2,762,349	5,400,854	
Less Depreciation †††	-	-	-933,003	-67,744	-1,000,747	
Total DEL	870,364	-856,275	103,124,455	1,224,752	104,349,207	

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	23,447,014

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

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

RfR/Section	Service	£'000
RFR1/A	Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work	7,081

Notes to the Estimate (*continued*)

Changes in Accounting Policies

Following the introduction of international financial reporting standards, IFRIC12 for PFI projects, a sum of £239,218,000 has been included in RfR1, section J2, and £353,238,000 in section J7. Offsetting reductions are included in other parts of the Estimate.

Food Standards Agency

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting and promoting public health in relation to food			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>			
A1,A5	Income arising from sub-let of accommodation space offset by gross expenditure	1,700,000	-1,700,000
<u>Token increases</u>			
A1	Token increase to allow increase in Appropriations-in-Aid to be included in the Estimate	1,000	
<u>Totals</u>		1,701,000	-1,700,000
Total RfR 1			1,000
Total change in resources for Estimate:			1,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £4,901,000
3. Symbols are explained in the Introduction to this booklet.

Food Standards Agency

Part I

	£
Request for Resources 1: Protecting and promoting public health in relation to food	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	4,901,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Food Standards Agency on:

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

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

The **Food Standards Agency** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Protecting and promoting public health in relation to food		1,701	1,700	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Food Standards Agency HQ Operations	109,370	1,701	1,700	1	109,371
Total for Estimate:		1,701	1,700	1	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	616	-	616
Non-Operating A in A	-	-	-
Net cash requirement	132,313	4,901	137,214

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Protecting and promoting public health in relation to food								
52,094	153,211	-	205,305	70,934	134,371	616	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Food Standards Agency HQ Operations							
52,094	62,211	-	114,305	4,934	109,371	291	-	
B	Meat Hygiene Service							
-	91,000	-	91,000	66,000	25,000	325	-	
Total for Estimate:								
52,094	153,211	-	205,305	70,934	134,371	616	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	134,370	1	134,371
Voted capital items			
Capital	616	-	616
Less Non-operating A-in-A	-	-	-
Total net voted capital	616	-	616
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	600	-	600
Depreciation	-1,908	-	-1,908
New provisions and adjustments to previous provisions	-1,265	-	-1,265
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-100	-	-100
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	4,900	4,900
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,673	4,900	2,227
Excess cash to be CFERd	-	-	-
Net Cash Requirement	132,313	4,901	137,214

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

49,894

Total Net Administration costs

49,894**Net Programme Costs**

RfR 1

84,477

Total Net Programme costs

84,477**Total Net Operating Cost****134,371***of which:*

Net Resource Requirement

134,371

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget**134,371**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision
Net Resource Requirement (Estimates)	134,371
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	134,371
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	134,371
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	134,371
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

£'000

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	2,200
<i>of which:</i>	
Sale of goods and services	2,200
Programme	68,734
<i>of which:</i>	
Sale of goods and services	68,734

Total RfR 1	70,934†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: fees for slaughterhouse hygiene inspections, radioactive waste disposal inspections, milk and dairies sampling, government funded controls and miscellaneous receipts including the proceeds from the sale of assets and also the sub-let of accommodation.

Total Operating A in A	70,934
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL		
	Voted	Non-voted	Voted	Non-voted	Total	
Resource DEL	1	-	134,371	-	134,371	
<i>of which:†</i>						
Administration budget	1	-	49,894	-	49,894	
Near-cash in RDEL	1	-	131,698	-	131,698	
Capital DEL††	-	-	616	-	616	
Less Depreciation†††	-	-	-1,908	-	-1,908	
Total DEL	1	-	133,079	-	133,079	

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	70,934

Department for Transport

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Transport that works for everyone			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
	To increase near cash resource provision for :		
X3	Other transport grants (resource) for payment to Transport for London in respect of ITSO	23,222,000	
	To increase non cash resource provision for :		
P2	Transformation, Licensing, Logistics & Sponsorship for cost of capital charges	195,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
	To decrease near cash resource provision for:		-500,000
C2	Central Administration by transfer to the Ministry of Defence for Royal Travel		
<u>Changes in Annually Managed Expenditure (AME)</u>			
	To increase non cash resource provision for:		
AA2	Railways and other expenditure to cover unwinding discount for provisions in respect of the London and Continental Railways Finance Company (£173,442,000) and the Channel Tunnel Rail Link Finance Company (£54,573,000) Non Departmental Public Bodies	228,015,000	
	To decrease non cash resource provision for:		
AA2	Railways and other expenditure in respect of cost of capital charges for the London and Continental Railways Finance Company (£42,057,000) and Channel Tunnel Rail Link Finance Company (£133,798,000) Non Departmental Public Bodies		-175,855,000
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
	To re-allocate near cash resource provision for:		

B2, A2	Maritime and Coastguard Agency from Ports and shipping services for the management of Crew Relief Scheme (£1,400,000), Time Expired Pyrotechnics (£550,000) and Long Range Identification and Tracking (£140,000)	2,090,000	-2,090,000
C2, I2	Aviation services, transport security & royal travel from Accessibility and Equalities in respect of compliance and development issues arising from international accessibility legislation	300,000	-300,000
D2, C2	Accident Investigation Branches from Aviation services, transport security & royal travel to cover helicopter crash investigation costs	600,000	-600,000
G2	Bus Service Operators Grant, funded from:	19,200,000	
T2	Central Administration		-1,600,000
U2	Research, statistics, publicity and consultancies & other services for roads and local transport;		-6,100,000
V3	Area Based Grants; and		-7,340,000
X3	Other transport grants (resource)		-4,160,000
U2, I2	Research, statistics, publicity and consultancies & other services for roads and local transport from Accessibilities and Equalities for Transport and Pedestrian Environment Project	37,000	-37,000
U3, X3	Research, statistics, publicity and consultancies & other services for roads and local transport from Other transport grants (resource) for Cycling, England	27,845,000	-27,845,000
X3, U2	Other transport grants (resource) from Research, statistics, publicity and consultancies & other services for roads and local transport	500,000	-500,000
X3, M2	Other transport grants (resource) from Railways to reflect the split between Passenger Transport Executives and franchised Passenger Rail Services	63,800,000	-63,800,000
X3, T2	Other transport grants (resource) from Central Administration for payments to Transport for London in respect of ITSO	778,000	-778,000
	To re-allocate capital grant resource provision for:		
M3, Y3	Railways from Other transport grants (capital) to cover Swindon-Kemble Group4 assessment costs	1,600,000	-1,600,000
U3, Y3	Research, statistics, publicity and consultancies & other services for roads and local transport from Other transport grants (capital) for Cycling, England (£12,055,000) and Smartcard competition (£5,000,000)	17,055,000	-17,055,000
	<u>Transfers to/from non-voted spending</u>		
	To increase capital grant provision for:		
Y3	Other transport grants (capital) to reflect revised balance of support to local authorities between supported borrowing and grant payments	18,053,000	
	To decrease near cash resource provision for:		
Q2	Vehicle & Operator Services Agency trading fund for the Driver & Vehicle Licensing Agency for Vehicle Excise Duty work		-2,000,000
	<u>Increases in non-budget spending</u>		
AC3	To increase provision for the Funding of NDPBs and PCs in respect of: London and Continental Railways	227,000,000	

	London and Continental Railways Finance Company	177,850,000	
	Channel Tunnel Rail Link Finance Company	26,542,000	
	High Speed Two	5,000,000	
	<u>Changes in non-budget spending</u>		
AB3	To decrease grant-in-aid provision for the Driver & Vehicle Licensing Agency trading fund		-24,902,000
	<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>		
	To adjust near cash resource provision for:		
M2, M5	Railways, to reflect the extent that subsidy payments are backed by premia receipts in Support for Passenger Rail Services	588,933,000	-588,933,000
T2, T5	Central Administration	-505,000	505,000
	Totals	1,428,110,000	-925,490,000
Total RfR 1			502,620,000
Total change in resources for Estimate:			502,620,000

Changes in capitalSection Reason for Change**RfR 1: Transport that works for everyone****Changes related to movements in budgets**

	<u>Take up of Departmental Unallocated Provision</u>		
M7	To increase capital provision for Railways for subsequent transfer to the Department for Communities and Local Government in respect of Building Britain's Future	50,000,000	
	<u>Transfers of budgetary cover to/from other government departments</u>		
M7	To transfer capital provision from Railways to the Department for Communities and Local Government in support of the Building Britian's Future initiative		-350,000,000
	<u>Transfers to/from non-voted spending</u>		
P7	To decrease capital provision for Transformation, Licensing, Logistics & Sponsorship by transfer to the Driver & Vehicle Licensing Agency for various projects		-9,500,000
	<u>Capital transfers within the Request for Resources</u>		
B7, A7	Maritime and Coastguard Agency from Ports and shipping services for Time Expired Pyrotechnics (£450,000) and Long Range Identification and Tracking (£10,000)	460,000	-460,000
	Totals	50,460,000	-359,960,000
Total RfR 1			-309,500,000
Total changes in capital for Estimate:			-309,500,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £664,876,000.
3. Symbols are explained in the Introduction to this booklet.

Department for Transport

Part I

	£
Request for Resources 1: Transport that works for everyone	502,620,000
Total additional net resource requirement	502,620,000
Additional net cash requirement	664,876,000

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

RfR 1: Transport that works for everyone

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

payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; capital grants to Regional Development Agencies for regional infrastructure; the operation of the Dartford River crossing; compensation to private tolled undertakings for the imposition of VAT on tolls; loans and other expenditure relating to Other River Crossings; Bus Service Operator Grant; expenditure in connection with the introduction of concessionary Bus Travel for older and eligible disabled people in England;

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

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

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

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Transport that works for everyone		1,091,048	588,428	502,620	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Ports and shipping services	23,194	-2,090	-	-2,090	21,104
B Maritime and Coastguard Agency	132,027	2,090	-	2,090	134,117
C Aviation services, transport security & royal travel	48,202	-800	-	-800	47,402
D Accident Investigation Branches	17,793	600	-	600	18,393
G Bus Service Operators Grant	435,650	19,200	-	19,200	454,850
I Accessibility & Equalities	11,243	-337	-	-337	10,906
M Railways	3,275,768	526,733	588,933	-62,200	3,213,568
P Transformation, Licensing, Logistics & Sponsorship	30,032	195	-	195	30,227
Q Vehicle & Operator Services Agency trading fund	10,835	-2,000	-	-2,000	8,835
T Central Administration	210,349	-2,883	-505	-2,378	207,971
U Research, statistics, publicity and consultancies & other services for roads and local transport	84,832	38,337	-	38,337	123,169
<i>Support for Local Authorities</i>					
V Area Based Grants	260,547	-7,340	-	-7,340	253,207
X Other transport grants (resource)	618,849	56,295	-	56,295	675,144
Y Other transport grants (capital)	1,186,822	-602	-	-602	1,186,220
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					

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
AA Railways and other expenditure	950	52,160	-	52,160	53,110
Non-Budget					
AB Driver & Vehicle Licensing Agency trading fund	265,502	-24,902	-	-24,902	240,600
AC Funding of NDPB's & PC's	17,222	436,392	-	436,392	453,614
Total for Estimate:		1,091,048	588,428	502,620	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	2,036,915	-309,500	1,727,415
Non-Operating A in A	26,854	-	26,854
Net cash requirement	13,258,651	664,876	13,923,527

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
RfR 1: Transport that works for everyone									
300,520	7,721,108	9,539,326	17,560,954	1,428,242	16,132,712	1,727,415	26,854		
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Ports and shipping services	-	23,292	-	23,292	2,188	21,104	265	-
B	Maritime and Coastguard Agency	-	145,177	-	145,177	11,060	134,117	9,825	-
C	Aviation services, transport security & royal travel	-	39,502	59,500	99,002	51,600	47,402	346	-
D	Accident Investigation Branches	-	18,467	-	18,467	74	18,393	1,521	-
E	Trans European network payments for transport projects (net)	-	-	3	3	-	3	-	-
F	Cleaner Fuels and Vehicles	-	11,008	27,301	38,309	-	38,309	-	-
G	Bus Service Operators Grant	-	454,000	850	454,850	-	454,850	-	-
H	Tolled River Crossings	-	26,457	-	26,457	86,857	-60,400	-	-
I	Accessibility & Equalities	-	2,406	8,500	10,906	-	10,906	-	-
J	Support construction of venues and infrastructure related to the Olympic Games	-	-	240,000	240,000	-	240,000	-	-
K	Commission for Integrated Transport & Transport Direct	-	12,705	-	12,705	-	12,705	1,400	-
L	Highways Agency	89,705	1,633,947	-	1,723,652	44,796	1,678,856	1,660,076	11,554
M	Railways	-	887,389	3,512,593	4,399,982	1,186,414	3,213,568	-	-
N	Government Car & Despatch Agency	20,800	-	-	20,800	20,800	-	2,000	-
O	Freight grants	-	-	29,900	29,900	-	29,900	-	-
P	Transformation, Licensing, Logistics & Sponsorship	-	29,227	1,000	30,227	-	30,227	31,124	-
Q	Vehicle & Operator Services Agency trading fund	-	13,735	-	13,735	4,900	8,835	-	8,300

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
R	Driving Standards Agency trading fund	-	2,600	-	2,600	3,800	-1,200	-	7,000
S	Vehicle Certification Agency	-	11,400	-	11,400	12,500	-1,100	300	-
T	Central Administration	190,015	21,209	-	211,224	3,253	207,971	20,000	-
U	Research, statistics, publicity and consultancies & other services for roads and local transport	-	71,775	51,394	123,169	-	123,169	558	-
Support for Local Authorities									
V	Area Based Grants	-	-	253,207	253,207	-	253,207	-	-
W	GLA transport grants (resource)	-	-	2,593,000	2,593,000	-	2,593,000	-	-
X	Other transport grants (resource)	-	-	675,144	675,144	-	675,144	-	-
Y	Other transport grants (capital)	-	-	1,186,220	1,186,220	-	1,186,220	-	-
Spending in Annually Managed Expenditure (AME)									
Central Government spending									
Z	Highways Agency	-	4,263,702	-	4,263,702	-	4,263,702	-	-
AA	Railways and other expenditure	-	53,110	-	53,110	-	53,110	-	-
Non-Budget									
AB	Driver & Vehicle Licensing Agency trading fund	-	-	240,600	240,600	-	240,600	-	-
AC	Funding of NDPB's & PC's	-	-	453,614	453,614	-	453,614	-	-
AD	Other Grants to GLA	-	-	206,500	206,500	-	206,500	-	-
Total for Estimate:		300,520	7,721,108	9,539,326	17,560,954	1,428,242	16,132,712	1,727,415	26,854

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	15,630,092	502,620	16,132,712
Voted capital items			
Capital	2,036,915	-309,500	1,727,415
Less Non-operating A-in-A	26,854	-	26,854
Total net voted capital	2,010,061	-309,500	1,700,561
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,116,218	176,160	-2,940,058
Depreciation	-1,409,700	-500	-1,410,200
New provisions and adjustments to previous provisions	-66,165	-228,015	-294,180
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,160	-	-1,160
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-1,000	1,279	279
Increase (-) / Decrease (+) in creditors	-	522,832	522,832
Use of provisions	212,741	-	212,741
Total accruals to cash adjustments	-4,381,502	471,756	-3,909,746
Excess cash to be CFERd	-	-	-
Net Cash Requirement	13,258,651	664,876	13,923,527

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision Income	Receipts	New Provision Income	Receipts
Operating income not classified as A in A	11,150	<i>11,150</i>	11,150	<i>11,150</i>
Non-operating income not classified as A in A	1,974	<i>1,974</i>	1,974	<i>1,974</i>
Other amounts collectable on behalf of the Consolidated Fund	110,000	<i>110,000</i>	96,191	<i>96,191</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	123,124	123,124	109,315	109,315

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	274,672
Total Net Administration costs	274,672

Net Programme Costs

RfR 1	15,858,040
Non-voted	-11,150
Total Net Programme costs	15,846,890

Total Net Operating Cost**16,121,562***of which:*

Net Resource Requirement	16,132,712
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-11,150
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**10,968,758**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	16,132,712
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-11,150
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	16,121,562
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-4,835,095
European Union income related to capital grants	-
Voted expenditure outside the budget	-206,500
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	950
Resource consumption of non departmental public bodies	-447,391
Unallocated resource provision	352,342
Other adjustments	-17,110
Resource Budget (Budget)	10,968,758
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	6,447,554
Annually Managed Expenditure (AME)	4,521,204

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	1,700,561
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-1,974
Capital spending by non-departmental public bodies	316,671
Capital grants	4,835,095
European Union income related to capital grants	-
Supported capital expenditure (revenue)	901,758
Capital spending by levy funded bodies	-
Unallocated capital provision	177,381
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	34,110
Capital Budget (Budget)	7,963,602
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	7,963,602
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Transport that works for everyone

Administration	25,848
<i>of which:</i>	
Sale of goods and services	25,848
Programme	1,402,394
<i>of which:</i>	
Sale of goods and services	1,326,292
EU Income	49,100
Interest and dividends	26,057
Other income (including receipts)	945
Total RfR 1	1,428,242†

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

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

Total Operating A in A	1,428,242
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Transport that works for everyone

Programme	26,854
<i>of which:</i>	
Sale of assets	11,554
Loan, etc, repayments	15,300

Total RfR 1	26,854†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made from National Air Traffic Services; repayments of loans or other payments made under Section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link; repayments of deemed and voted loans made to the Driver and Vehicle Licensing Agency; Vehicle and Operator Services Agency, the Driving Standards Agency and the British Transport Police Authority.

Total Non-Operating A in A	26,854
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Notes to the Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

£'000
**2009-10 Provision
Income Receipts**

Bus Service Operator Grants Φ	200	200
Highways Agency Φ	10,000	10,000
Maritime and Coastguard Agency Φ	950	950
Second Mersey tunnel Φ	1,974	1,974
DVLA Agency trading fund Φ	96,191	96,191
Total	109,315	109,315

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	20,917	28,583	5,795,010	652,544	6,447,554
<i>of which: †</i>					
Administration budget	-	-	274,672	500	275,172
Near-cash in RDEL	20,722	28,778	5,423,325	681,229	6,104,554
Capital DEL ††	-291,447	-58,553	6,820,737	1,142,865	7,963,602
Less Depreciation †††	-500	-	-241,705	-31,774	-273,479
Total DEL	-271,030	-29,970	12,374,042	1,763,635	14,137,677

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,455,096

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

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

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

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

RfR/Section	Body	£'000
RfR1 - AB	Driver and Vehicle Licensing Agency trading fund ♥	240,600
RfR1 - AC	British Transport Police Authority ♥	8,922
RfR1 - AC	Rail Passenger Council ♥	6,300
RfR1 - AC	Renewable Fuels Agency ♥	1,500
RfR1 - AC	Rail Heritage Council	500
RfR1 - AC	London and Continental Railways	227,000
RfR1 - AC	London and Continental Railways Finance Company	177,850
RfR1 - AC	Channel Tunnel Rail Link Finance Company	26,542
RfR1 - AC	High Speed Two	5,000

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
The following contingent liabilities are additional to those included in the 2009-10 Main Estimate	
Non-statutory liabilities	
Possible Highways Agency obligations in relation to engineering and construction services	5,000
Highways Agency 3rd party claims.	9,000
In 2008 the Secretary of State entered into quantifiable and unquantifiable contingent liabilities under the Crossrail Sponsor's Agreement and the Project Development agreement (between DfT and TfL as joint sponsors and the Project Delivery Agency (Crossrail Limited))	Unquantifiable
Significant increase in value	
Non-statutory liability	
The Air Travel Trust, which is administered by the Civil Aviation Authority as Trustees, provides protection for air-package holiday makers in the event of a collapse of tour operators whose statutory bonds are insufficient to meet claims. A Government guarantee has been given to the Fund so that the Trustees may borrow from the banks, if the need arises. Increase from £31,000,000 to £55,000,000.	55,000
The following contingent liabilities no longer apply	
Statutory liabilities	
Guarantee to the Trustees of the Railways Pension Scheme (RPS) in respect of any deficit arising in the 1994 Pensioners section of the RPS. This item is reported under FRS 17 in the pensions disclosure in the Resource Accounts.	-
Non-statutory liabilities	
Channel Tunnel Rail Link - guarantee in respect of London & Continental Railways Ltd interest rate hedging arrangements. Lapsed.	-
Channel Tunnel Rail Link - Government guaranteed bonds. Lapsed.	-
Channel Tunnel Rail Link - track access payments. Lapsed.	-

Department for Communities and Local Government

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of Departmental Unallocated Provision</u>			
<i>Other resource (non cash)</i>			
K	Efficient Geographic and Statistics	309,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
<i>Other resource (near cash)</i>			
To decrease provision for:			
P	Implementing Planning Reform - transfer to Department for Environment, Food and Rural Affairs for the implementation of the Mine Waste Directive		-233,000
To increase provision for:			
<i>Administration (near cash)</i>			
H	Government Offices transfer from Cabinet Office for work on Community Cohesion	340,000	
H	Government Offices transfer from Department for Work and Pensions for work on Older Persons agenda	440,000	
<i>Other resource (near cash)</i>			
O	Developing communities that are cohesive, active and resilient to extremism	1,396,000	
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
To adjust provision for expenditure and corresponding appropriation in aid:			
H	Government offices in respect of International Financial Reporting Standards (IFRS)		-672,000

	<u>Other changes in DEL spending</u>	
	<i>Other resource (near cash)</i>	
	To increase provision for:	
H	Government Offices to increase provision in respect of IFRS	53,000
	 <u>Other changes</u>	
	<u>Resource transfers to/from another Request for Resources</u>	
	<i>Other resource (near cash)</i>	
	To increase provision for:	
C	Research (from Local Government Research - RFR2, section C)	73,000
D	Cohesion and Race Equality (from Local Government Research - RFR2, section C)	500,000
	To decrease provision for:	
E	Implementing Planning Reforms (to Local Governance RFR 2 - section F)	-200,000
F	Fire Rescue and Services (FRS) improvement (to Best Value inspection - RFR2, section B)	-1,432,000
K	Efficient Geographic and Statistics (to Best Value inspection - RFR2, section B)	-76,000
	 <u>Resource transfers within the Request for Resources</u>	
	<i>Administration (near cash)</i>	
	To adjust provision for:	
G	Central Administration	513,000
H	Government Offices	-513,000
	 <i>Other resource (near cash)</i>	
	To adjust provision for:	
A	Capacity Building and Efficiency improvement in Housing	-1,464,000
B	Capacity Building and Efficiency improvement in Housing	1,464,000
B	Sustainable Buildings	-209,000
B	Rent Officer Pensions Liabilities	100,000
B	Valuation Office Agency	-200,000
B	Homelessness & Housing Reform	-385,000
B	Supporting People Administration	-1,035,000
B	Housing Strategy for Older People	-13,436,000
B	Housing Management	370,000
B	Zero Carbon Buildings	750,000
B	Homeowners mortgage support	3,000,000
B	Gypsy Site Grant	475,000
B	Support for Voluntary & Community Sector Sustainability	6,160,000
C	Regeneration Strategy	-5,159,000
C	Sub National Economic Development	-100,000
C	Regeneration Monitoring & Digital Inclusion	-275,000
C	New Horizons	-20,000
C	Renewing Neighbourhoods	-1,232,000
C	Decent Mixed Communities	-3,000,000
C	Research	548,000
C	Communications	-138,000
D	Cohesion and Race Equality	-113,000
D	Tenant Empowerment	-700,000
D	Community Empowerment	-5,410,000

D	Cohesion & Race Equality		-475,000
D	Adults Facing Chronic Exclusion	500,000	
E	Planning Inspectorate	500,000	
E	Implementing Planning Reforms		-1,500,000
F	Fire Services		-61,000
F	Emergency resettlement costs		-3,100,000
J	European Regional Development Fund (INTERREG)	750,000	
M	Housing Mobility Services	1,300,000	
M	Homelessness and Housing Reform	2,135,000	
M	Housing Strategy for Older People	13,436,000	
M	Housing Management	3,165,000	
M	Private Housing Renewal	2,719,000	
N	Regeneration Strategy	5,159,000	
N	Sub National Economic Development	100,000	
N	Regeneration Monitoring and Digital Inclusion	230,000	
N	Renewing Neighbourhoods	4,232,000	
N	New Deal for Communities		-9,081,000
N	Working Neighbourhood Fund	50,000,000	
P	Housing and Planning Delivery Grant	750,000	
P	Implementing Planning Reforms		-7,335,000
R	Area Based Grant	8,835,000	-50,000,000
	<i>Other resource (non cash)</i>		
	To adjust provision for:		
B	Supporting People Administration	180,000	
E	Planning Inspectorate		-180,000
	<i>Other resource (Capital DEL)</i>		
	To adjust provision for:		
B	Growth Areas New Growth Points & ECO Towns		-5,000,000
B	Support for Voluntary and Community Sector		-500,000
J	European Regional Development Fund (INTERREG)	500,000	
N	New Deal for Communities	5,000,000	
	<u>Transfers to/from non-voted spending</u>		
	<i>Administration (near cash)</i>		
	To adjust provision for:		
G	Central Administration - for early retirement scheme		-12,300,000
H	Government Offices to increase provision release	1,400,000	
	<i>Other resource (near cash)</i>		
	To adjust provision for:		
B	National Register of Social Housing		-419,000
B	Valuation Office Agency Right to Buy charges		-100,000
B	Supporting People Administration		-3,420,000
B	Thames Gateway (Direct Funding)		-12,500,000
C	Regeneration Monitoring & Digital Inclusion		-2,000,000
C	Regeneration Strategy		-600,000
D	Community Empowerment		-1,706,000
E	Implementing Planning Reforms		-6,411,000
K	Efficient Geographic and Statistics		-6,248,000
N	Local Enterprise Growth Initiative		-2,359,000
N	New Deal for Communities		-300,000
P	Implementing Planning Reform		-300,000

	<i>Administration (non cash)</i>		
	To adjust provision for:		
G	Central Administration	-1,400,000	
	<i>Other resource (non cash)</i>		
	To adjust provision for:		
B	Thames Gateway (Direct Funding)	-4,000,000	
E	Planning Inspectorate	-2,970,000	
	<i>Other resource (capital DEL)</i>		
B	Thames Gateway (Direct Funding)	-70,000,000	
M	Regional Housing Pot	3,163,000	
	<u>Changes in non-budget spending</u>		
	To decrease provision for:		
W	Loan Charges on Defective Housing Grant	-6,800,000	
	Additional provision for:		
W	Homes and Communities Agency	694,504,000	
W	Other Growth Areas: West Northants Development Corporation	300,000	
W	London Thames Gateway Development Corporation	82,500,000	
W	Tenant Services Authority	367,000	
X	Community Development	1,706,000	
AA	Infrastructure Planning Commission	3,621,000	
	<u>Transfers from capital to capital grants</u>		
	To adjust provision for:		
N	New Deal for Communities	4,720,000	
	<u>Transfer from capital grant to capital</u>		
	To adjust provision for:		
J	European Regional Development Fund (INTERREG)	-500,000	
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
	To increase provision for expenditure and corresponding appropriations in aid:		
B	Residential Property Tribunal Service	100,000	-100,000
B	Supporting People Administration	100,000	-100,000
C	Regeneration Strategy	600,000	-600,000
E	Planning Inspectorate	7,954,000	-7,954,000
F	FRS Improvement Programme	250,000	-250,000
G	Central Administration	1,800,000	-1,800,000
H	Government Offices	23,080,000	-23,080,000
	Totals	942,147,000	-283,701,000
Total RfR 1		658,446,000	

RfR 2: Providing for effective devolved decision making within a national frameworkSection Reason for Change**Changes related to movements in budgets**Take up of DEL end-year flexibility

G	Local Government Public Service Agreement (capital grant - capital DEL)	59,000,000	
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Other changesResource transfers to/from another Request for Resources

To increase provision for:

F	Local Governance (to Implementing Planning Reform - RFR1, section E)	200,000	
B	Best Value Inspection (from Fire Rescue and Services improvement - RFR1, section F)	1,432,000	
B	Best Value Inspection (from Efficient Geographic and Statistics - RFR1, section K)	76,000	

To decrease provision for:

C	Local Government Research (to Research - RFR1 section C)		-73,000
C	Local Government Research (to Cohesion and Race Equality - RFR1, section D)		-500,000

Resource transfers within the Request for Resources*Other resource (near cash)*

To adjust provision for:

A	Valuation Office Agency		-5,940,000
G	Improvement, Transformation & Efficiency	140,000	
G	National Non-Domestic Rate Payments - Collection Costs	5,800,000	

Transfers to/from non-voted spending*Other resource (near cash)*

To adjust provision for:

A	Valuation Office Agency		-174,000
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Increases in non-budget spending

I	Valuation Tribunal Services	15,000	
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Totals**66,663,000 -6,687,000****Total RfR 2****59,976,000****Total change in resources for Estimate:****718,422,000**

Changes in capital**Section Reason for Change****RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions****Other changes**Transfers within Request for Resources

To adjust provision for:

E	Planning Inspectorate		-4,720,000
N	New Deal for communities	4,720,000	

Transfer to/from non-voted spending

E	Planning Inspectorate		-2,810,000
E	E-Planning		-450,000

Transfers to resources(capital grant) from capital (not capital grant)*Capital grants (capital DEL)*

To adjust provision for:

N	New Deal for Communities		-4,720,000
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Transfers from capital grants to capital

J	European Regional Development Fund (INTERREG)	500,000	
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Changes in non-operating appropriations-in-aid (fully offset by changes in spending)

F	FRS Improvement Programme	450,000	-450,000
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Totals**5,670,000 -13,150,000****Total RfR 1****-7,480,000****Total changes in capital for Estimate:****-7,480,000**

- As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £782,330,000
- Symbols are explained in the Introduction to this booklet.

Department for Communities and Local Government

Part I

	£
Request for Resources 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions	658,446,000
Request for Resources 2: Providing for effective devolved decision making within a national framework	59,976,000
Total additional net resource requirement	718,422,000
Additional net cash requirement	782,330,000

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

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

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

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

Fire and Rescue services, including the grants paid to Chief Fire Officers' Association and measures to deal with the aftermath of terrorism; purchase of fire radio systems; payments and loans to the Fire Service College (trading fund); payments for provision of services to improve the efficiency and effectiveness of the fire service; Emergency Fire Service Closure costs; fire service pensions; fire service dispute(s); payments to Firebuy; work on improving race, gender and faith equalities; payments to the Community Development Foundation ; Community Cohesion; Community empowerment; mapping data and services; Ordnance Survey trading fund; regional assemblies, payments for the Mersey Basin Campaign; special grants paid under Section 31 of the Local Government Act 2003; minor grants and payments in support of housing, planning, regeneration, liveability, urban design, building regulation, research, development, surveys;

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

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

payments to the Valuation Office Agency for rating and valuation services; payments to the Audit Commission for Comprehensive Area Assessments and other inspections; revenue support grant and redistributed non-domestic rates to receiving authorities in England; repayments of excess contributions made by local authorities in respect of non-domestic rates in 2008-09 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant and pension payments; intervention action and capacity building in local authorities; Local Area Agreement Reward Grant payments; grants paid under section 31 and 36 of the Local Government Act 2003;

emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended; mapping and other costs associated with local government reviews and revisions to administrative and electoral boundaries following Parish and Electoral Commission reviews; grant in aid to the Standards Board for England; the Valuation Tribunal Service and to the Commission for Local Administration in England; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments; and associated non-cash items.

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions						
		693,002	34,556	658,446		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Supporting local government	1,464	-1,464	-	-1,464	-
B	Improving the supply and quality of housing	250,535	-100,755	200	-100,955	149,580
C	Building prosperous communities, promoting regeneration and tackling deprivation	2,250,848	-11,303	600	-11,903	2,238,945
D	Developing communities that are cohesive, active and resilient to extremism	62,597	-7,404	-	-7,404	55,193
E	Providing a more efficient, effective and transparent planning system	98,138	-2,807	7,954	-10,761	87,377
F	Ensuring safer communities by providing the framework to prevent and respond to emergencies	131,042	-4,343	250	-4,593	126,449
G	Central Administration	189,599	-11,387	1,800	-13,187	176,412
H	Government Office Administration	105,935	24,800	23,752	1,048	106,983
J	European Structural Funds - Communities and Local Government	10,301	750	-	750	11,051
K	Ordnance Survey	14,341	-6,015	-	-6,015	8,326
<i>Support for Local Authorities</i>						
M	Improving the supply and quality of housing	2,309,730	25,918	-	25,918	2,335,648
N	Building prosperous communities, promoting regeneration and tackling deprivation	210,493	57,701	-	57,701	268,194
O	Developing communities that are cohesive, active and resilient to extremism	35,822	1,396	-	1,396	37,218
P	Providing a more efficient, effective and transparent planning system	163,369	-7,118	-	-7,118	156,251
R	Area Based Grant	674,491	-41,165	-	-41,165	633,326

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Non-Budget					
W Improving the supply and quality of housing	5,120,689	770,871	-	770,871	5,891,560
X Ensuring safer communities by providing the framework to prevent and respond to emergencies	1,582	1,706	-	1,706	3,288
AA Providing a more efficient, effective and transparent planning system	1,500	3,621	-	3,621	5,121
RfR 2: Providing for effective devolved decision making within a national framework		73,576	13,600	59,976	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Valuation Services	172,937	-6,114	-	-6,114	166,823
B Best Value Inspection Subsidies to public corporations & Best Value Intervention costs	19,848	1,508	-	1,508	21,356
C Local Government research and publicity, boundary reviews: mapping costs	3,290	-573	-	-573	2,717
<i>Support for Local Authorities</i>					
F London governance	47,868	200	-	200	48,068
G Other grants and payments	438,787	78,540	13,600	64,940	503,727
Non-Budget					
I Non-Departmental Public Bodies	34,061	15	-	15	34,076
Total for Estimate:		766,578	48,156	718,422	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	41,181	-7,030	34,151
Non-Operating A in A	113	450	563
Net cash requirement	38,741,496	782,330	39,523,826

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A	
1	2	3	4	5	6		7	8	
RfR 1: Improving the quality of life by creating thriving, inclusive and sustainable communities in all regions									
326,571	1,067,897	12,561,356	13,955,824	633,526	13,322,298		34,151	563	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Supporting local government	-	-	-	-	-	-	-	
B	Improving the supply and quality of housing	-	48,723	101,357	150,080	500	149,580	-	
C	Building prosperous communities, promoting regeneration and tackling deprivation	-	28,904	2,210,641	2,239,545	600	2,238,945	-	
D	Developing communities that are cohesive, active and resilient to extremism	-	25,831	30,362	56,193	1,000	55,193	-	
E	Providing a more efficient, effective and transparent planning system	-	84,350	10,981	95,331	7,954	87,377	3,550	
F	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	122,042	5,764	127,806	1,357	126,449	6,177	
G	Central Administration	185,836	12,131	-	197,967	21,555	176,412	21,064	
H	Government Office Administration	140,735	-	-	140,735	33,752	106,983	2,860	
I	European Structural Funds- income relating to 2007-13 programmes	-	-	-	-	525,760	-525,760	-	
J	European Structural Funds - Communities and Local Government	-	3,050	8,001	11,051	-	11,051	500	
K	Ordnance Survey	-	33,445	1,320	34,765	26,439	8,326	-	
L	Queen Elizabeth II Conference Centre Executive Agency	-	-	117	117	1,409	-1,292	-	
<i>Support for Local Authorities</i>									
M	Improving the supply and quality of housing	-	-	2,348,848	2,348,848	13,200	2,335,648	-	
N	Building prosperous communities, promoting regeneration and tackling deprivation	-	-	268,194	268,194	-	268,194	-	
O	Developing communities that are cohesive, active and resilient to extremism	-	-	37,218	37,218	-	37,218	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
P	Providing a more efficient, effective and transparent planning system	-	-	156,251	156,251	-	156,251	-	-
Q	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	11,700	94,690	106,390	-	106,390	-	-
R	Area Based Grant	-	-	633,326	633,326	-	633,326	-	-
S	European Structural Funds- payments to London Development Agency for 2007-13 programme	-	-	30,705	30,705	-	30,705	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
T	Improving the supply and quality of housing	-	697,800	-	697,800	-	697,800	-	-
U	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	-79	156	77	-	77	-	-
<i>Support for Local Authorities</i>									
V	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	-	228,400	228,400	-	228,400	-	-
Non-Budget									
W	Improving the supply and quality of housing	-	-	5,891,560	5,891,560	-	5,891,560	-	-
X	Ensuring safer communities by providing the framework to prevent and respond to emergencies	-	-	3,288	3,288	-	3,288	-	-
Y	European Structural Funds- payments to Regional Development Agencies for 2007-13 programme	-	-	495,055	495,055	-	495,055	-	-
Z	Area Based Grant	-	-	1	1	-	1	-	-
AA	Providing a more efficient, effective and transparent planning system	-	-	5,121	5,121	-	5,121	-	-
RfR 2: Providing for effective devolved decision making within a national framework		-	190,961	25,963,372	26,154,333	14,135	26,140,198	-	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Valuation Services	-	166,823	-	166,823	-	166,823	-	-
B	Best Value Inspection Subsidies to public corporations & Best Value Intervention costs	-	21,356	-	21,356	-	21,356	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
C	Local Government research and publicity, boundary reviews: mapping costs								
	-	2,782	-	2,782	65	2,717	-	-	
<i>Support for Local Authorities</i>									
D	Revenue Support Grants								
	-	-	5,400,431	5,400,431	-	5,400,431	-	-	
E	Non-Domestic Rates Payments								
	-	-	19,500,000	19,500,000	-	19,500,000	-	-	
F	London governance								
	-	-	48,068	48,068	-	48,068	-	-	
G	Other grants and payments								
	-	-	517,327	517,327	13,600	503,727	-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Support for Local Authorities</i>									
H	Non-Domestic Rates outturn adjustments and Local Authority Business Growth Incentive								
	-	-	463,000	463,000	-	463,000	-	-	
Non-Budget									
I	Non-Departmental Public Bodies								
	-	-	34,546	34,546	470	34,076	-	-	
Total for Estimate:									
	326,571	1,258,858	38,524,728	40,110,157	647,661	39,462,496	34,151	563	

Part II: Resource to cash reconciliation**£'000**

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	38,744,074	718,422	39,462,496
Voted capital items			
Capital	41,181	-7,030	34,151
Less Non-operating A-in-A	113	450	563
Total net voted capital	41,068	-7,480	33,588
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-11,340	8,478	-2,862
Depreciation	-36,023	-27	-36,050
New provisions and adjustments to previous provisions	-4,917	-	-4,917
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-390	-390
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	8,634	63,327	71,961
Total accruals to cash adjustments	-43,646	71,388	27,742
Excess cash to be CFERd	-	-	-
Net Cash Requirement	38,741,496	782,330	39,523,826

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1 273,064

RfR 2 -

Total Net Administration costs 273,064**Net Programme Costs**

RfR 1 13,049,234

RfR 2 26,140,198

Non-voted -700,400

Total Net Programme costs 38,489,032**Total Net Operating Cost****38,762,096***of which:*

Net Resource Requirement 39,462,496

Non-voted expenditure -

Consolidated Fund Extra Receipts -700,400

Reduction in planned spend unable to be included in Estimate -

Resource Budget**31,139,289**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	39,462,496
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-700,400
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	38,762,096
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-762,867
European Union income related to capital grants	57,268
Voted expenditure outside the budget	269
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	176,000
Resource consumption of non departmental public bodies	-6,936,904
Unallocated resource provision	59,985
Other adjustments	-216,558
Resource Budget (Budget)	31,139,289
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	30,142,132
Annually Managed Expenditure (AME)	997,157

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	33,588
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	7,359,744
Capital grants	762,867
European Union income related to capital grants	-57,268
Supported capital expenditure (revenue)	1,243,858
Capital spending by levy funded bodies	-
Unallocated capital provision	81
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	9,342,870
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,342,870
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	53,507
<i>of which:</i>	
Sale of goods and services	53,507
Programme	580,019
<i>of which:</i>	
Sale of goods and services	11,554
EU Income	525,760
Other grant income (including repayments of grants/subsidies)	13,200
Interest and dividends	3,406
Other income (including receipts)	26,099
Total RfR 1	633,526†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: research and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan, hire and storage of equipment, seminars, patent rights, conferences and publications (in print and non-print media); sponsorship, including contributions from co-sponsors towards the cost of research and surveys; other government departments including agencies and non-departmental public bodies and overseas government; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; pooled housing capital receipts from local authorities; housing revenue receipts from local authorities; donations; receipts from the Tenant Services Authority; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered grants relating to housing and regeneration programmes; charges made by the Infrastructure Planning Commission and Planning Inspectorate executive agency in England and Wales; receipts from inspections by Crown Property Inspection Group; dividend payment from Ordnance Survey; dividend payment from the Queen Elizabeth II Conference Centre and interest payments on voted loans; receipts from other government departments for research in support of fire and rescue services; receipts from medical appeals to cover BUPA expenditure; receipts from regional fire and rescue control centres building developers; interest payments on deemed and voted loans made to the Fire Service College; dividend payment from the Fire Service College; receipts from Firelink contractor; the disposal of land, buildings, water stores, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; receipts for the use of accommodation; rental income and receipts from property and land; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services; receipts from devolved administrations in relation to Firelink; former SRB programme receipts; and the sale of Property Services Agency businesses.

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

Programme	14,135
<i>of which:</i>	
Sale of goods and services	65
Other grant income (including repayments of grants/subsidies)	13,600
Other income (including receipts)	470
Total RfR 2	14,135†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: sponsorship, including contributions from co-sponsors towards the cost of research and publicity; and the return of capital grants from local authorities.

Total Operating A in A	647,661
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

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

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

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

Total Non-Operating A in A	563
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-54,174	55,498	29,370,278	771,854	30,142,132
<i>of which: †</i>					
Administration budget	161	-	273,064	-	273,064
Near-cash in RDEL	-46,113	47,452	29,326,136	617,493	29,943,629
Capital DEL ††	-11,097	625,097	2,307,428	7,035,442	9,342,870
Less Depreciation †††	-27	-983	-36,050	-14,752	-50,802
Total DEL	-65,298	679,612	31,641,656	7,792,544	39,434,200

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	648,224

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Department has adopted International Accounting and Reporting Standards for 2009-10. The main impacts on the Department's accounting policies are as follows:

1. Under IAS 16 - Property, Plant and Equipment, and IAS 38 - Intangible Assets, some Information Technology assets, mainly developed software and licences, previously classified as Tangible have been reclassified as Intangible Assets. Intangible Assets are not revalued and any revaluation reserves associated with these assets have been eliminated.
2. Under IAS 40 - Investment Properties, the Department's holding of land and buildings which are not in use to deliver the department's objectives have been reclassified from Fixed Assets to Investment Properties and reported under Investments in the Statement of Financial Position. Investment Properties are not depreciated so carried forward balances for accumulated depreciation related to these assets have been eliminated. The assets will be revalued annually and the resulting increase or decrease in valuation is taken direct to the Operating Cost Statement rather than to a revaluation reserve. Therefore the revaluation reserves relating to these properties have been eliminated.
3. Under the terms of IAS 17 - Leases, as adapted by IFRIC 4 - Determining whether an Arrangement Contains a Lease, the Department has reviewed all service and other contracts to determine whether they contain arrangements in the form of a finance lease. Where such arrangements have been identified the leases have been recognised in the Accounts and reported under the appropriate non-current asset category. Appropriate current and non-current liabilities have also been recognised.
4. Under IAS 19 - Employee Benefits, the Department considers it appropriate to accrue for the costs of annual staff bonuses, untaken annual leave and maternity leave which are appropriate for the year but have not otherwise been brought to account.

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

RfR/Section	Body	£'000
RfR1		
B	Commission for Architecture in the Built Environment ♥	6,940
W	Homes and Communities Agency ♥	5,454,404
W	Other Growth Areas- West Northamptonshire Development Corporation ♥	17,141
W	Tenant Services Authority ♥	35,990
W	Leasehold Advisory Service ♥	1,325
W	Thurrock Thames Gateway Development Corporation ♥	36,200
W	London Thames Gateway Development Corporation ♥	46,300
X	Firebuy Limited ♥	1,582
X	Community Development Foundation ♥	1,706
AA	Infrastructure Planning Commission ♥	5,121
RFR 2		
I	Valuation Tribunal Service ♥	11,049
I	Standards Board for England ♥	7,342
I	The Commission for Local Administration in England ♥	15,685

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
STATUTORY	
Liability to litigation by Fire Authorities results from delays in processing of appeals to the Secretary of State under legislation.	220
Statutory Contingent Liability in respect of Homeowners Support Scheme.	500,000
Payments to Local Authorities under the Housing Defects Scheme.	250-750
The Department has entered into the following quantifiable contingent liabilities by offering guarantees, indemnities or by giving letters of comfort. None of these is a contingent liability within the meaning of IAS 13 since the likelihood of a transfer of economic benefit in settlement is too remote.	
Indemnity given by DCLG for the Land Stabilisation Project to proceed in Northwich under Section 1 of the Derelict Land Act 1982.	150,000
NON STATUTORY	
Ex-gratia payments which may possibly be made to appellants or other appeal parties who have incurred abortive appeal costs following an error made by the Planning Inspectorate. The timing and value of these payments are very difficult to predict.	Unquantifiable
Litigation costs which may possibly be incurred following unsuccessful attempts to resist a High Court challenge into an Inspector's decision. The timing and value of such awards are extremely difficult to predict.	400
Possible administrative irregularities in respect of the 2000-06 European Regional Development Fund programme which are subject to audits by the European Court of Auditors or DG Regio. Where audits are incomplete at the balance sheet date potential liabilities have been addressed for each programme. Of a total potential exposure of £69.1m, £44.9m has been provided for and the remainder is disclosed as a contingent liability.	24,200
Possible financial corrections in relation to the Interreg programme and for ERDF projects undertaken by Business Links and for those involving Venture Capital Loan Funds. The maximum liability is seen as about £91.1m and a provision of £27.2m has been made. The remainder is disclosed as a contingent liability.	63,900
Potential individual write off cases in relation to grant recoveries under the 2000-06 Programme where a decision may be taken that the total value of the recovery cannot be settled because of insolvency or other reason.	2,200
Possible financial corrections or other disallowances arising from Internal Audit closure reviews (Article 15) of ERDF grant expenditure administered by GOs. At present there is no expectation that financial corrections will be made, and so this remains	124,800

The Department has entered into the following unquantifiable contingent liabilities by offering guarantees, indemnities or by giving letters of comfort. None of these are contingent liabilities within the meaning of IAS 13 since the likelihood of a transfer of economic benefit in settlement is too remote.

Indemnity given to the Nationwide Building Society as lender for claims relating to the treatment or removal of asbestos in connection with housing stock transfers. Unquantifiable

Indemnity given to the Fire and Rescue Services in respect of possible incidents as a result of mass decontamination. Unquantifiable

Department for Business, Innovation and Skills†

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help ensure business success in an increasingly competitive world			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
<u>Administration costs</u>			
E1	Transfer of administration from the Department for Innovation, Universities and Skills	70,899,000	
<u>Programme costs</u>			
A5	Transfer of regional funding from the Department for Innovation, Universities and Skills	42,359,000	
E2	Transfer of central programmes from the Department for Innovation, Universities and Skills	7,006,000	
E3	Transfer of central programmes from the Department for Innovation, Universities and Skills	950,000	
E5	Transfer of central programmes receipts from the Department for Innovation, Universities and Skills		-28,000
N2	Transfer of innovation from the Department for Innovation, Universities and Skills	70,498,000	
N3	Transfer of innovation from the Department for Innovation, Universities and Skills	7,989,000	
N5	Transfer of innovation receipts from the Department for Innovation, Universities and Skills		-3,159,000

Take up of Departmental Unallocated ProvisionAdministration costs

E1	Reclassification to administration of Government Skills programme funding from Departmental Unallocated Provision	13,625,000	
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Programme costs

A2	Virement from Departmental Unallocated Provision to Automotive Scrappage Scheme	43,700,000	
E2	Virement of central programmes to Departmental Unallocated provision		-130,000
E3	Virement of central programmes to Departmental Unallocated provision		-11,000
E5	Virement of central programmes to Departmental Unallocated provision	3,000	

Transfers of budgetary cover to/from other government departments

E2	Transfer from the Home Office for Migration Impact Funding	2,629,000	
F3	Transfer from Department for Work and Pensions to the London Development Agency for the provision of specific new Business Link services to help longer-term unemployed people move into self-employment in support of the Government's 6 month package	1,027,000	
N3	Transfer from Department of Energy and Climate Change for Low Carbon Buildings Programme	25,000,000	

Changes in Annually Managed Expenditure (AME)

G3	Increased Paternity Pay forecast	200,000	
H2	Increased UKAEA Decommissioning forecast	291,000	
H3	Increased UKAEA Decommissioning forecast	6,504,000	
H5	Forecast for interest receipts on Post Office working capital loan		-1,500,000
I3	Increased London Development Agency Corporation Tax forecast	1,030,000	

Other changesResource transfers to/from another Request for Resources (RfR3)

E5 and E2	Virement from central programmes to RfR3 for Annual Population Survey	25,000	-2,558,000
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A5	Virement to voted expenditure under the RDA Single Pot from Learning and Skills Council (RfR3) in relation to Train to Gain	37,000,000	
<u>Resource transfers within the Request for Resources</u>			
A2 and A3	Virement from Enterprise Fund to Automotive Scrappage Scheme	11,700,000	-11,700,000
<u>Transfers to/from non-voted spending</u>			
A2	Virement of nearcash from Small Firms Loan Guarantee Scheme provisions to Automotive Scrappage Scheme	44,600,000	
A2	Virement from voted expenditure to the RDA Single Pot in relation to National Business Link marketing		-700,000
A3	Virement of noncash from Small Firms Loan Guarantee Scheme provisions to Enterprise Fund		-44,600,000
A3	Virement from voted expenditure to the RDA Single Pot in relation to National Business Link marketing		-1,000,000
A3	Virement from Strategic Investment Fund capital grants to nonvoted resource expenditure on Rolls Royce by the Technology Strategy Board		-7,300,000
A2	Virement from Enterprise Fund to the RDA Single Pot to correct near/cash capital balance within RDA budget		-2,500,000
<u>Increases in non-budget spending</u>			
J3	Increase in grant-in-aid to the RDAs in relation to National Business Link marketing, reflecting virements from Enterprise Fund	1,700,000	
J3	Increased forecast for RDA Corporation Tax	5,814,000	
J3	Transfer from DWP to the Regional Development Agencies for the provision of specific new Business Link services to help longer-term unemployed people move into self-employment in support of the Government's 6 month package	4,732,000	
O3	Machinery of Government transfer of innovation from the Department for Innovation, Universities and Skills	334,285,000	
O3	Increased forecast for European Space Agency/European Patent Office pension refunds	300,000	
O3	Grant in Aid consequences of virement from Strategic Investment Fund capital grants to nonvoted resource expenditure on Rolls Royce by the Technology Strategy Board	7,300,000	

<u>Transfers from capital to capital grants</u>			
A3	Virement from capital to capital grants relating to Capital Enterprise Fund	10,000,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
C2 and C5	Increases in Insolvency Service expenditure and receipts	18,000,000	-18,000,000
C2 and C5	Increases in Acas expenditure and receipts	3,000,000	-3,000,000
D1 and D5	Increases in Shareholder Executive administration expenditure and receipts	11,000,000	-11,000,000
Totals		783,166,000	-107,186,000
Total RfR 1			675,980,000

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

Section Reason for Change

Changes related to movements in budgets

Machinery of Government changes

Programme costs

A3	Transfer of Royal Society from the Department for Innovation, Universities and Skills	45,823,000	
B3	Transfer of Royal Academy of Engineering from the Department for Innovation, Universities and Skills	12,138,000	
C3	Transfer of British Academy from the Department for Innovation, Universities and Skills	25,062,000	
D3	Transfer of Research Base Initiatives from the Department for Innovation, Universities and Skills	5,778,000	
E3	Transfer of Knowledge Transfer from the Department for Innovation, Universities and Skills	12,500,000	
F3	Transfer of Research Capital Investment Fund from the Department for Innovation, Universities and Skills	48,676,000	
H3	Transfer of Science and Society from the Department for Innovation, Universities and Skills	15,441,000	

G5	Transfer of Biotechnology and Biological Sciences Research Council from the Department for Innovation, Universities and Skills	-1,000,000
	<u>Take up of Departmental Unallocated Provision</u>	
D3	Virement of nonvoted Departmental Unallocated Provision to Research Base Initiatives	287,000
	<u>Changes in Annually Managed Expenditure (AME)</u>	
I3	Machinery of Government transfer of Research Council pensions from the Department for Innovation, Universities and Skills	42,543,000
I3	Reduction in forecast for Research Council pensions	-5,543,000
	<u>Other changes</u>	
	<u>Increases in non-budget spending</u>	
J3	Machinery of Government transfer of Arts and Humanities Research Council from the Department for Innovation, Universities and Skills	102,478,000
K3	Machinery of Government transfer of Biotechnology and Biological Sciences Research Council from the Department for Innovation, Universities and Skills	438,345,000
L3	Machinery of Government transfer of Economic and Social Research Council from the Department for Innovation, Universities and Skills	174,549,000
M3	Machinery of Government transfer of Engineering and Physical Sciences Research Council from the Department for Innovation, Universities and Skills	799,094,000
N3	Machinery of Government transfer of Medical Research Council from the Department for Innovation, Universities and Skills	659,577,000
O3	Machinery of Government transfer of Natural Environment Research Council from the Department for Innovation, Universities and Skills	354,423,000
P3	Machinery of Government transfer of Higher Education Funding Council for England from the Department for Innovation, Universities and Skills	315,184,000
Q2	Machinery of Government transfer of Fees Payable under the Animals (Scientific Procedures) Act 1986	300,000
R3	Machinery of Government transfer of Science and Technology Facilities Council from the Department for Innovation, Universities and Skills	533,238,000

J3	Increased forecast for Arts and Humanities Research Council Grant in Aid	1,522,000	
K3	Increased forecast for Biotechnology and Biological Sciences Research Council Grant in Aid	19,655,000	
L3	Increased forecast for Economic and Social Sciences Research Council Grant in Aid	4,451,000	
M3	Reduced forecast for Engineering and Physical Sciences Research Council Grant in Aid		-15,094,000
N3	Reduced forecast for Medical Research Council Grant in Aid		-2,577,000
O3	Increased forecast for Natural Environment Research Council Grant in Aid	30,577,000	
R3	Increased forecast for Science and Technology Facilities Council Grant in Aid	68,762,000	
P3	Increased forecast for Higher Education Funding Council for England Grant in Aid	1,816,000	
Q3	Increased forecast for Fees Payable under the Animals (Scientific Procedures) Act 1986	200,000	
	Totals	3,712,419,000	-24,214,000
Total RfR 2			3,688,205,000

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

Section Reason for Change

Changes related to movements in budgets

Machinery of Government changes

Programme costs

A3	Transfer of central programmes from the Department for Innovation, Universities and Skills	60,000	
B2	Transfer of education programmes from the Department for Innovation, Universities and Skills	53,006,000	
B3	Transfer of education programmes from the Department for Innovation, Universities and Skills	83,376,000	
B5	Transfer of education programme receipts from the Department for Innovation, Universities and Skills		-2,209,000
C3	Transfer of education programmes from the Department for Innovation, Universities and Skills	2,488,053,000	

D2	Transfer of education programmes from the Department for Innovation, Universities and Skills	41,542,000	
D3	Transfer of education programmes from the Department for Innovation, Universities and Skills	308,207,000	
D5	Transfer of education programme receipts from the Department for Innovation, Universities and Skills		-36,079,000
E5	Transfer of education programme receipts from the Department for Innovation, Universities and Skills		-7,565,424,000
<u>Take up of Departmental Unallocated Provision</u>			
D2	Utilisation of Departmental Unallocated Provision for Government Skills	384,000	
D3	Virement to Departmental Unallocated Provision from International programmes		-60,000
<u>Transfers of budgetary cover to/from other government departments</u>			
D2	Transfer from Ministry of Justice for Government Skills	222,000	
D3	Transfer from Ministry of Justice for Offender Learning	24,073,000	
D3	Transfer from Department for Children, Schools and Families for College Sector	400,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
F2	Machinery of Government transfer of student loans from the Department for Innovation, Universities and Skills	870,530,000	
F3	Machinery of Government transfer of student loans from the Department for Innovation, Universities and Skills	43,323,000	
F5	Machinery of Government transfer of student loans from the Department for Innovation, Universities and Skills		-913,853,000
F2	Reduction in Cost of Capital on student loans		-53,818,000
F3	Reduction in provision for student loans		-679,034,000
F5	Reduction in interest received on student loans	732,853,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources (RfR1)</u>			
D2	Virement from central programmes RfR1 to RfR3 for Annual Population Survey	2,533,000	

K3	Virement to RfR1 (Regional Development Agencies) of Train to Gain funding from Learning and Skills Council		-37,000,000
	<u>Transfers to/from non-voted spending</u>		
B2	Virements from voted expenditure to fund Learning and Skills Council non-voted expenditure		-9,388,000
B2	Virements from voted expenditure to fund Higher Education Funding Council for England non-voted expenditure		-2,540,000
B2	Virements from non-voted Student Loans Company expenditure to fund voted expenditure	2,260,000	
B3	Virements from voted expenditure to fund Student Loan Company non-voted expenditure		-1,000,000
B3	Virements from Higher Education Funding Council for England non-voted expenditure to fund voted expenditure	10,754,000	
C3	Virements from Learning and Skills Council non-voted expenditure to fund voted expenditure	20,000,000	
C3	Virements from voted expenditure to fund Higher Education Funding Council for England non-voted expenditure		-9,400,000
D2	Virements from voted expenditure to fund Learning and Skills Council non-voted expenditure		-16,432,000
D2	Virements from voted expenditure to fund Commission for Employment and Skills non-voted expenditure		-1,471,000
D3	Virements from voted expenditure to fund Learning and Skills Council non-voted expenditure		-19,123,000
D3	Virements from voted expenditure to fund Commission for Employment and Skills non-voted expenditure		-990,000
D3	Virements from Higher Education Funding Council for England non-voted expenditure to fund voted expenditure	1,560,000	
D3	Virements from voted expenditure to fund Sector Skills Development Agency non-voted expenditure (not requiring increase in voted Grant-in-Aid)		-32,000
B5	Increased contributions from the Department for Children, Schools and Families to fund Higher Education Funding Council for England non-voted expenditure		-2,344,000
B5	Increased contributions from the Department for Health to fund Higher Education Funding Council for England non-voted expenditure		-502,000

C5	Increased contributions from Department for Children, Schools and Families to fund Student Loans Company non-voted expenditure	-503,000
D5	Increased contributions from Department for Children, Schools and Families to fund Commission for Employment and Skills non-voted expenditure	-6,211,000
D5	Increased contributions from Department for Work and Pensions to fund Commission for Employment and Skills non-voted expenditure	-1,300,000
D5	Increased contributions from Cabinet Office to fund Commission for Employment and Skills non-voted expenditure	-250,000
D5	Increased contributions from Department of Health to fund Investors in People (iP) non-voted expenditure	-70,000
D5	Increased contributions from the devolved administration for Scotland to fund Commission for Employment and Skills non-voted expenditure	-566,000
D5	Increased contributions from the devolved administration for Wales to fund Commission for Employment and Skills non-voted expenditure	-373,000
D5	Increased contributions from the devolved administration for Northern Ireland to fund Commission for Employment and Skills non-voted expenditure	-243,000

Increases in non-budget spending

G3	Machinery of Government transfer of Higher Education Funding Council for England from the Department for Innovation, Universities and Skills	7,524,065,000
H3	Machinery of Government transfer of the Office for Fair Access to Higher Education from the Department for Innovation, Universities and Skills	476,000
I3	Machinery of Government transfer of Student Loans Company from the Department for Innovation, Universities and Skills	53,034,000
J3	Machinery of Government transfer of Investors in People UK from the Department for Innovation, Universities and Skills	4,887,000
K3	Machinery of Government transfer of the Learning and Skills Council from the Department for Innovation, Universities and Skills	12,320,693,000
L3	Machinery of Government transfer of UK Commission for Employment and Skills from the Department for Innovation, Universities and Skills	66,967,000
M3	Machinery of Government transfer of the Quality Improvement Agency from the Department for Innovation, Universities and Skills	276,000

M3	Remove Grant in Aid for Quality Improvement Agency (body now closed)	-276,000
G3	Increased Grant in Aid to the Higher Education Funding Council for England reflecting increased contributions from Department of Health	502,000
G3	Increased Grant in Aid to Higher Education Funding Council for England reflecting virement of nonvoted expenditure with Student Loans Company	2,166,000
G3	Reduced Grant in Aid to the Higher Education Funding Council for England reflecting virement to voted spend	-374,000
G3	Increased Grant in Aid to the Higher Education Funding Council for England reflecting increased contributions from Department for Children, Schools and Families	2,344,000
I3	Reduced Grant in Aid to Student Loans Company reflecting virement to voted expenditure	-2,260,000
I3	Increased Grant in Aid to Student Loans Company reflecting increased contributions from Department for Children, Schools and Families	503,000
I3	Increased Grant in Aid to Student Loans Company reflecting virement to voted expenditure	1,000,000
I3	Reduced Grant in Aid to Student Loans Company reflecting virement of nonvoted expenditure with Higher Education Funding Council for England	-2,166,000
J3	Increased Grant in Aid to Investors in People UK reflecting increased contributions from Department of Health	70,000
K3	Increased Grant in Aid to the Learning and Skills Council reflecting virements from voted DEL budgets to nonvoted Learning and Skills Council DEL	24,943,000
L3	Increased Grant in Aid to UK Commission for Employment and Skills reflecting virements from voted DEL budgets to nonvoted DEL	2,461,000
L3	Increased Grant in Aid to UK Commission for Employment and Skills reflecting increased contributions from Department for Children, Schools and Families	6,211,000
L3	Increased Grant in Aid to UK Commission for Employment and Skills reflecting increased contributions from the Department for Work and Pensions	1,300,000
L3	Increased Grant in Aid to UK Commission for Employment and Skills reflecting increased contributions from the Cabinet Office	250,000

L3	Increased Grant in Aid to UK Commission for Employment and Skills reflecting increased contributions from the Scotland devolved administration	566,000	
L3	Increased Grant in Aid to UK Commission for Employment and Skills reflecting increased contributions from the Wales devolved administration	373,000	
L3	Increased Grant in Aid to UK Commission for Employment and Skills reflecting increased contributions from the Northern Ireland devolved administration	243,000	
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
D2 and D5	Increased contributions from other Departments to fund voted expenditure	3,902,000	-3,902,000
D3 and D5	Increased contributions from other Departments to fund voted expenditure (mainly from Department for Children, Schools and Families for the Diploma Support programme and the 14-19 Workforce support programme)	31,829,000	-31,829,000
	Totals	24,731,921,000	-9,400,746,000
	Total RfR 3		15,331,175,000
	Total change in resources for Estimate:		19,695,360,000

Changes in capitalSection Reason for Change**RfR 1: To help ensure business success in an increasingly competitive world****Changes related to movements in budgets**Machinery of Government changes

E7	Transfer of central programmes from the Department for Innovation, Universities and Skills	2,166,000	
N7	Transfer of innovation from the Department for Innovation, Universities and Skills	12,131,000	
N8	Transfer of innovation from the Department for Innovation, Universities and Skills		-166,000

Take up of Departmental Unallocated Provision

A7	Virement from Science Departmental Unallocated Provision to Small Firms Loan Guarantee Scheme in part repayment of 2007 loan from non-Science to Science	18,000,000	
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Other changesTransfers to/from non-voted spending

A7	Virement from the RDA Single Pot to British Shipbuilders to correct near/cash capital balance within RDA budget	2,500,000	
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Transfers from capital to capital grants

A7	Virement from capital to capital grants relating to Capital Enterprise Fund		-10,000,000
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<u>Totals</u>		34,797,000	-10,166,000
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<u>Total RfR 1</u>			24,631,000
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Section Reason for Change**RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society****Changes related to movements in budgets**Take up of Departmental Unallocated Provision

C3	Utilisation of Departmental Unallocated Provision for increased expenditure by the British Academy	2,000,000	
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<u>Totals</u>		2,000,000	-
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<u>Total RfR 2</u>			2,000,000
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Section Reason for Change**RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills****Changes related to movements in budgets**Changes in Annually Managed Expenditure (AME)

F7	Machinery of Government transfer of Student Loans from the Department for Innovation, Universities and Skills	6,132,491,000	
F8	Machinery of Government transfer of Student Loans from the Department for Innovation, Universities and Skills		-1,324,060,000
F7	Reduced forecast for student loan interest		-743,491,000
F8	Reduced forecast for student loan repayments	104,060,000	

<u>Totals</u>		6,236,551,000	-2,067,551,000
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<u>Total RfR 3</u>			4,169,000,000
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Total changes in capital for Estimate:	4,195,631,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £22,395,424,000
3. Symbols are explained in the Introduction to this booklet.

Department for Business, Innovation and Skills†

Part I

	£
Request for Resources 1: To help ensure business success in an increasingly competitive world ††	675,980,000
Request for Resources 2: Increasing Scientific excellence in the UK and maximising its contribution to society ††	3,688,205,000
Request for Resources 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills ††	15,331,175,000
Total additional net resource requirement	19,695,360,000
Additional net cash requirement ††	22,395,424,000

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

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

Promotion of enterprise, innovation and increased productivity delivered through market solutions designed to meet market imperfections identified within the portfolios of innovation, international trade and investment, regional investment, enterprise for small firms and people & skills;

support for business, including support for specific industries, small businesses, regional programmes and programmes to promote research and development, innovation and standards, best practice and sustainable development; promotion of strong, fair and competitive markets at home and abroad including developing fair and effective legal and regulatory frameworks and delivering regulatory reform, measures to combat international bribery and corruption, measures to protect investors, measures to promote the interests of consumers, support for employment relations programmes and measures to promote a skilled and flexible labour market;

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

financial assistance to public corporations and trading funds including Ofcom; managing the Government's shareholder interest in the portfolio of commercial businesses wholly or partly owned by Government; funding of the Department's executive agencies; issuing budgets and making payments to Regional Development Agencies, to which other Government departments will contribute by supplying resources which BIS will appropriate in aid; payments to local authorities in respect of Local Area Agreements and New Burdens responsibilities; miscellaneous programmes, including payments in respect of claims for the restitution of property of victims of Nazi persecution, compensation for distant water trawlermen and assistance to redundant steelworkers; Departmental administration costs and a share of the administration costs of UK Trade and Investment; payments towards the expenses of the Office of Manpower Economics; associated non-cash items

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

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

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

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

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

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

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

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

† In the Main Estimate 2009-10 this Estimate was called the Department for Business, Enterprise and Regulatory Reform

†† The functions of innovation, universities and skills were transferred from the Department for Innovation, Universities and Skills on 5 June 2009. Within the overall changes sought in this estimate, the specific changes relating to this Machinery of Government transfer are:

- (a) for RfR1 the Net Resource Requirement is increased by £530,799,000, operating appropriations-in-aid are increased by £3,187,000 and non-operating appropriations-in-aid are increased by £166,000;
- (b) for RfR2 the Net Resource Requirement is increased by £3,584,149,000 and operating appropriations-in-aid are increased by £1,000,000;
- (c) for RfR3 the Net Resource Requirement is increased by £15,340,930,000, operating appropriations-in-aid are increased by £8,517,565,000 and non-operating appropriations-in-aid are increased by £1,324,060,000; and
- (d) the Net Cash Requirement is increased by £22,056,816,000

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: To help ensure business success in an increasingly competitive world					
		633,280	-42,700	675,980	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Business Creation and Growth	-921,736	42,200	-79,359	121,559	-800,177
C Free and Fair Markets	212,309	21,000	21,000	-	212,309
D Government as Shareholder	174,754	11,000	11,000	-	174,754
E Professional Support and Infrastructure	224,709	92,410	-	92,410	317,119
<i>Support for Local Authorities</i>					
F Business Creation and Growth	374,963	1,027	-	1,027	375,990
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
G Free and Fair Markets	43,600	200	-	200	43,800
H Government as Shareholder	-5,760	6,795	1,500	5,295	-465
<i>Support for Local Authorities</i>					
I Business Creation and Growth	1,970	1,030	-	1,030	3,000
Non-Budget					
J Business Creation and Growth	1,831,066	12,246	-	12,246	1,843,312
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
N Knowledge Transfer and Innovation	-	103,487	3,159	100,328	100,328

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Non-Budget					
O Knowledge Transfer and Innovation	-	341,885	-	341,885	341,885
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society		3,689,205	1,000	3,688,205	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A The Royal Society	-	45,823	-	45,823	45,823
B Royal Academy of Engineering	-	12,138	-	12,138	12,138
C British Academy	-	25,062	-	25,062	25,062
D RB Initiatives	-	6,065	-	6,065	6,065
E Economic Impact	-	12,500	-	12,500	12,500
F Research Capital Investment Fund	-	48,676	-	48,676	48,676
G Biotechnology and Biological Sciences Research Council	-	-	1,000	-1,000	-1,000
H Science and Society	-	15,441	-	15,441	15,441
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
I Research Councils' Pension Scheme	-	37,000	-	37,000	37,000
Non-Budget					
J Arts and Humanities Research Council	-	104,000	-	104,000	104,000
K Biotechnology and Biological Sciences Research Council	-	458,000	-	458,000	458,000
L Economic and Social Research Council	-	179,000	-	179,000	179,000

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
M	Engineering and Physical Sciences Research Council	-	784,000	-	784,000	784,000
N	Medical Research Council	-	657,000	-	657,000	657,000
O	Natural Environment Research Council	-	385,000	-	385,000	385,000
P	Higher Education Funding Council for England	-	317,000	-	317,000	317,000
Q	Fees Payable under the Animals (Scientific Procedures) Act 1986	-	500	-	500	500
R	Science and Technology Facilities Council	-	602,000	-	602,000	602,000
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills			23,163,980	7,832,805	15,331,175	
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Activities to Support all Functions	-	60	-	60	60
B	Higher Education	-	136,468	5,055	131,413	131,413
C	Higher Education Support for Students	-	2,498,653	503	2,498,150	2,498,150
D	Further Education, Skills and International Programmes	-	376,544	80,823	295,721	295,721
E	Further Education Receipts from DCSF	-	-	7,565,424	-7,565,424	-7,565,424
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
F	Loans to Students	-	181,001	181,000	1	1

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Non-Budget					
G Higher Education Funding Council for England	-	7,528,703	-	7,528,703	7,528,703
H Office for Fair Access	-	476	-	476	476
I Student Loans Company	-	50,111	-	50,111	50,111
J Investors in People UK	-	4,957	-	4,957	4,957
K Learning and Skills Council	-	12,308,636	-	12,308,636	12,308,636
L UK Commission for Employment and Skills	-	78,371	-	78,371	78,371
Total for Estimate:		27,486,465	7,791,105	19,695,360	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	7,069,715	5,415,797	12,485,512
Non-Operating A in A	6,453,500	1,220,166	7,673,666
Net cash requirement	2,547,034	22,395,424	24,942,458

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: To help ensure business success in an increasingly competitive world								
393,473	1,151,176	3,178,609	4,723,258	2,051,007	2,672,251	7,094,512	6,453,666	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Business Creation and Growth							
44,332	607,570	370,479	1,022,381	1,822,558	-800,177	63,900	-	
B	Better Regulation							
-	337	-	337	-	337	-	-	
C	Free and Fair Markets							
2,052	298,650	99,377	400,079	187,770	212,309	5,065	3,500	
D	Government as Shareholder							
20,104	165,650	-	185,754	11,000	174,754	-	-	
E	Professional Support and Infrastructure							
326,985	13,989	1,165	342,139	25,020	317,119	13,416	-	
<i>Support for Local Authorities</i>								
F	Business Creation and Growth							
-	-	375,990	375,990	-	375,990	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
G	Free and Fair Markets							
-	-	43,800	43,800	-	43,800	-	-	
H	Government as Shareholder							
-	-5,518	6,553	1,035	1,500	-465	7,000,000	6,450,000	
<i>Support for Local Authorities</i>								
I	Business Creation and Growth							
-	-	3,000	3,000	-	3,000	-	-	
Non-Budget								
J	Business Creation and Growth							
-	-	1,843,312	1,843,312	-	1,843,312	-	-	
K	Better Regulation							
-	-	4,400	4,400	-	4,400	-	-	
L	Free and Fair Markets							
-	-	48,999	48,999	-	48,999	-	-	
M	Government as Shareholder							
-	-	6,660	6,660	-	6,660	-	-	

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
1	2	3	4	5	6	7	A in A	8
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
N	Knowledge Transfer and Innovation							
-	70,498	32,989	103,487	3,159	100,328	12,131		166
Non-Budget								
O	Knowledge Transfer and Innovation							
-	-	341,885	341,885	-	341,885	-		-
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society								
-	37,500	3,651,705	3,689,205	1,000	3,688,205	2,000		-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	The Royal Society							
-	-	45,823	45,823	-	45,823	-		-
B	Royal Academy of Engineering							
-	-	12,138	12,138	-	12,138	-		-
C	British Academy							
-	-	25,062	25,062	-	25,062	2,000		-
D	RB Initiatives							
-	-	6,065	6,065	-	6,065	-		-
E	Economic Impact							
-	-	12,500	12,500	-	12,500	-		-
F	Research Capital Investment Fund							
-	-	48,676	48,676	-	48,676	-		-
G	Biotechnology and Biological Sciences Research Council							
-	-	-	-	1,000	-1,000	-		-
H	Science and Society							
-	-	15,441	15,441	-	15,441	-		-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
I	Research Councils' Pension Scheme							
-	37,000	-	37,000	-	37,000	-		-
Non-Budget								
J	Arts and Humanities Research Council							
-	-	104,000	104,000	-	104,000	-		-
K	Biotechnology and Biological Sciences Research Council							
-	-	458,000	458,000	-	458,000	-		-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
L	Economic and Social Research Council		179,000	179,000	-	179,000	-	-	-
M	Engineering and Physical Sciences Research Council		784,000	784,000	-	784,000	-	-	-
N	Medical Research Council		657,000	657,000	-	657,000	-	-	-
O	Natural Environment Research Council		385,000	385,000	-	385,000	-	-	-
P	Higher Education Funding Council for England		317,000	317,000	-	317,000	-	-	-
Q	Fees Payable under the Animals (Scientific Procedures) Act 1986		500	500	-	500	-	-	-
R	Science and Technology Facilities Council		602,000	602,000	-	602,000	-	-	-
RfR 3: To help build a competitive economy by creating opportunities for everyone to develop their learning and skills									
	-	890,730	22,273,250	23,163,980	7,832,805	15,331,175	5,389,000	1,220,000	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Activities to Support all Functions		60	60	-	60	-	-	-
B	Higher Education		43,338	136,468	5,055	131,413	-	-	-
C	Higher Education Support for Students		2,498,653	2,498,653	503	2,498,150	-	-	-
D	Further Education, Skills and International Programmes		30,680	376,544	80,823	295,721	-	-	-
E	Further Education Receipts from DCSF		-	-	7,565,424	-7,565,424	-	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
F	Loans to Students		816,712	181,001	181,000	1	5,389,000	1,220,000	
Non-Budget									
G	Higher Education Funding Council for England		7,528,703	7,528,703	-	7,528,703	-	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
H	Office for Fair Access	-	-	476	476	-	476	-	-
I	Student Loans Company	-	-	50,111	50,111	-	50,111	-	-
J	Investors in People UK	-	-	4,957	4,957	-	4,957	-	-
K	Learning and Skills Council	-	-	12,308,636	12,308,636	-	12,308,636	-	-
L	UK Commission for Employment and Skills	-	-	78,371	78,371	-	78,371	-	-
Total for Estimate:		393,473	2,079,406	29,103,564	31,576,443	9,884,812	21,691,631	12,485,512	7,673,666

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	1,996,271	19,695,360	21,691,631
Voted capital items			
Capital	7,069,715	5,415,797	12,485,512
Less Non-operating A-in-A	6,453,500	1,220,166	7,673,666
Total net voted capital	616,215	4,195,631	4,811,846
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-51,612	-824,811	-876,423
Depreciation	-54,336	-5,112	-59,448
New provisions and adjustments to previous provisions	5,780	-657,944	-652,164
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-404	-250	-654
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-21,402	-	-21,402
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	56,522	-7,450	49,072
Total accruals to cash adjustments	-65,452	-1,495,567	-1,561,019
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,547,034	22,395,424	24,942,458

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision Income	<i>Receipts</i>	New Provision Income	<i>Receipts</i>
Operating income not classified as A in A	2,981	<i>2,981</i>	34,981	<i>34,981</i>
Non-operating income not classified as A in A	120,000	<i>120,000</i>	120,000	<i>120,000</i>
Other amounts collectable on behalf of the Consolidated Fund	90,000	<i>90,000</i>	90,000	<i>90,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>-</i>	-	<i>-</i>
Total	212,981	<i>212,981</i>	244,981	<i>244,981</i>

Forecast Operating Cost Statement

£'000
**2009-10
Provision**

Net Administration Costs

RfR 1	357,473
RfR 2	-
RfR 3	-
Total Net Administration costs	357,473

Net Programme Costs

RfR 1	2,314,778
RfR 2	3,688,205
RfR 3	15,331,175
Non-voted	465,019
Total Net Programme costs	21,799,177

Total Net Operating Cost
22,156,650
of which:

Net Resource Requirement	21,691,631
Non-voted expenditure	500,000
Consolidated Fund Extra Receipts	-34,981
Reduction in planned spend unable to be included in Estimate	-

Resource Budget
19,735,370

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	21,691,631
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	500,000
Consolidated Fund Extra Receipts in the OCS	-34,981
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	22,156,650
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-674,838
European Union income related to capital grants	-
Voted expenditure outside the budget	-1,300
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	1,350
Resource consumption of non departmental public bodies	-1,812,722
Unallocated resource provision	34,198
Other adjustments	32,032
Resource Budget (Budget)	19,735,370
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	18,839,739
Annually Managed Expenditure (AME)	895,631

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	4,811,846
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-120,000
Capital spending by non-departmental public bodies	2,407,062
Capital grants	674,838
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-59,093
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-32,000
Capital Budget (Budget)	7,682,653
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,989,962
Annually Managed Expenditure (AME)	4,692,691

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	36,000
<i>of which:</i>	
Sale of goods and services	36,000
Programme	2,015,007
<i>of which:</i>	
Sale of goods and services	179,210
Regulatory licences, fines, penalties and taxes	109,380
Other grant income (including repayments of grants/subsidies)	1,721,758
Interest and dividends	4,659
Total RfR 1	2,051,007†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income relating to Loan Guarantee and other small firms support schemes, receipts from the Department for Communities and Local Government, Department for Environment, Food and Rural Affairs, the Department for Culture, Media and Sport, the Department of Energy and Climate Change and UK Trade and Investment in relation to the Regional Development Agencies and the London Development Agency; income relating to ACAS, the Insolvency Service, legal services, consultancy, publications, secondments, departmental administration costs, central services, executive agencies and trading funds, including income relating to Ofcom; receipts from the Postal Services Commission and Office of Gas and Electricity Markets to cover the costs of the relevant Consumer Councils; receipts of dividends and interest on loans from the Patent Office; miscellaneous receipts from other Government Departments.

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

Programme	1,000
<i>of which:</i>	
Other grant income (including repayments of grants/subsidies)	1,000
Total RfR 2	1,000†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Receipts for the Institute of Animal Health

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

Programme	7,832,805
<i>of which:</i>	
Sale of goods and services	38,413
EU Income	109
Other grant income (including repayments of grants/subsidies)	5,515,726
Interest and dividends	181,000
Other income (including receipts)	2,097,557
Total RfR 3	7,832,805†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: European Fast Stream receipts; repayment of career development loans; repayment of working capital loans; receipts in respect of Career Development Loans default recoveries by banks; receipts from the sale of surplus properties; receipts from outside organisations (including the EU) in respect of advertising and publicity activities and materials; sale of research publications; receipts from the European Social Fund to cover departmental programmes; receipts covering the return of assets from the Training and Enterprise Councils (TECs) as part of their winding-up process; receipts from the wind-down of Individual Learning Accounts; receipts from the Department for Children, Schools and Families for 14-19 programmes;

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

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

Total Operating A in A	9,884,812
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

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

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

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

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

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

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

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

Analysis of Consolidated Fund extra receipts

£'000

	2009-10 Provision	
	Income	Receipts
Ofcom●	60,000	60,000
Companies House receipts from late filing penalties●	30,000	30,000
Receipt of dividend from the Companies House Executive Agency trading fundΦ	1,582	1,582
Interest on loans advanced by the S of S to the Companies House Executive Agency trading fund Φ	49	49
Levies on sale of aero engines and airframes Φ	120,000	120,000
Post office Interest on working capital●	1,350	1,350
Dividend from BNFL Δ	32,000	32,000
Total	244,981	244,981

Notes to the Estimate (continued)**Departmental Expenditure Limits and Administration budgets****£'000**

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-4,037,427	21,292,300	-3,515,015	22,354,754	18,839,739
<i>of which: †</i>					
Administration budget	84,524	-	357,473	-	357,473
Near-cash in RDEL	-5,337,748	21,062,238	-4,937,070	22,105,386	17,168,316
Capital DEL ††	-95,993	2,747,901	-486,854	3,476,816	2,989,962
Less Depreciation †††	-5,112	-180,116	-59,448	-201,279	-260,727
Total DEL	-4,138,532	23,860,085	-4,061,317	25,630,291	21,568,974

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

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

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

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

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	17,558,478

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

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

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1 - C2	Advisory, Conciliation and Arbitration Service ♥	42,037
RfR1 - L3	Consumer Focus ♥	22,997
RfR1 - J3	Capital for Enterprise ♥	2,545
RfR1 - J3	the Regional Development Agencies ♥	1,840,767
RfR1 - K3	the Local Better Regulation Office ♥	4,400
RfR1 - L3	the Competition Service ♥	4,427
RfR1 - L3	the Competition Commission ♥	20,775
RfR1 - M3	the United Kingdom Atomic Energy Authority ♥	6,660
RfR1 - O3	the Design Council ♦	6,185
RfR1 - O3	the Technology Strategy Board ♥	334,900
RfR2 - J3	Arts and Humanities Research Council ♥	104,000
RfR2 - K3	Biotechnology and Biological Sciences Research Council ♥	458,000
RfR2 - L3	Economic and Social Research Council ♥	179,000
RfR2 - M3	Engineering and Physical Sciences Research Council ♥	784,000
RfR2 - N3	Medical Research Council ♥	657,000
RfR2 - O3	Natural Environment Research Council ♥	385,000
RfR2 - R3	Science and Technology Facilities Council ♥	602,000
RfR2 - P3	Higher Education Funding Council for England ♥	317,000
RfR3 - G3	Higher Education Funding Council for England ♥	7,528,703
RfR3 - I3	Student Loans Company ♦	50,111
RfR3 - J3	Investors in People UK ♥	4,957
RfR3 - K3	Learning and Skills Council ♥	12,308,636
RfR3 - L3	UK Commission for Employment and Skills ♥	78,371
		25,742,471

Notes to the Estimate (*continued*)

Contingent liabilities

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

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

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

Notes to the Estimate (*continued*)

International Subscriptions

RfR/Section	Body	£'000
RfR1- C3	World Trade Organisation	5,010
RfR1- C3	Consumer Protection	2,062
RfR3- B3	Higher Education University Institute subscriptions	2,994
RfR3- C3	Higher Education University Institute Bursaries	274
RfR3- D3	The estimate includes provision to reimburse the Department for Work and Pensions for payments made by the Joint International Unit for International Education Programmes and the annual subscription of the International Labour Organisation	12,786

Department for Innovation, Universities and Skills

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A	Transfer of Activities in Support of all Functions to the Department for Business, Innovation and Skills		-78,887,000
B	Transfer of Higher Education to the Department for Business, Innovation and Skills		-134,173,000
C	Transfer of Higher Education Support for Students to the Department for Business, Innovation and Skills		-2,488,053,000
D	Transfer of Further Education, Skills and International Programmes to the Department for Business, Innovation and Skills		-356,029,000
E	Transfer of Further Education Receipts from DCSF to the Department for Business, Innovation and Skills	7,565,424,000	
F	Transfer of Science, Innovation and Knowledge Transfer to the Department for Business, Innovation and Skills		-75,328,000
<u>Changes in Annually Managed Expenditure (AME)</u>			
G	Machinery of Government Transfer of Loans to Students to the Department for Business, Innovation and Skills	913,853,000	-913,853,000
<u>Other changes</u>			
<u>Reductions in non-budget spending</u>			
H	Machinery of Government Transfer of Higher Education Funding Council for England to the Department for Business, Innovation and Skills		-7,524,065,000

I	Machinery of Government Transfer of Office for Fair Access to the Department for Business, Innovation and Skills	-476,000
J	Machinery of Government Transfer of Student Loans Company to the Department for Business, Innovation and Skills	-53,034,000
K	Machinery of Government Transfer of Investors in People UK to the Department for Business, Innovation and Skills	-4,887,000
L	Machinery of Government Transfer of Learning and Skills Council to the Department for Business, Innovation and Skills	-12,320,693,000
M	Machinery of Government Transfer of UK Commission for Employment and Skills to the Department for Business, Innovation and Skills	-66,967,000
N	Machinery of Government Transfer of Quality Improvement Agency to the Department for Business, Innovation and Skills	-276,000
O	Machinery of Government Transfer of Design Council to the Department for Business, Innovation and Skills	-6,185,000
P	Machinery of Government Transfer of Knowledge Transfer and Innovation to the Department for Business, Innovation and Skills	-500,000
Q	Machinery of Government Transfer of Technology Strategy Board to the Department for Business, Innovation and Skills	-327,600,000
	Totals	8,479,277,000 -24,351,006,000
	Total RfR 1	-15,871,729,000

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

Section Reason for Change

Changes related to movements in budgets

Machinery of Government changes

A	Transfer of Royal Society to the Department for Business, Innovation and Skills	-45,823,000
B	Transfer of Royal Academy of Engineering to the Department for Business, Innovation and Skills	-12,138,000
C	Transfer of British Academy to the Department for Business, Innovation and Skills	-25,062,000
D	Transfer of RB Initiatives to the Department for Business, Innovation and Skills	-5,778,000

E	Transfer of Science and Society to the Department for Business, Innovation and Skills	-15,441,000
F	Transfer of Knowledge Transfer to the Department for Business, Innovation and Skills	-12,500,000
G	Transfer of Research Capital Investment Fund to the Department for Business, Innovation and Skills	-48,676,000
H	Transfer of Biotechnology and Biological Sciences Research Council to the Department for Business, Innovation and Skills	1,000,000
<u>Changes in Annually Managed Expenditure (AME)</u>		
I	Machinery of Government transfer of Research Council pensions to the Department for Business, Innovation and Skills	-42,543,000
<u>Other changes</u>		
<u>Changes in non-budget spending</u>		
J	Machinery of Government transfer of Arts and Humanities research Council to the Department for Business, Innovation and Skills	-102,478,000
K	Machinery of Government transfer of Biotechnology and Biological Sciences Research Council to the Department for Business, Innovation and Skills	-438,345,000
L	Machinery of Government transfer of Economic and Social Research Council to the Department for Business, Innovation and Skills	-174,549,000
M	Machinery of Government transfer of Engineering and Physical Sciences Research Council to the Department for Business, Innovation and Skills	-799,094,000
N	Machinery of Government transfer of Medical Research Council to the Department for Business, Innovation and Skills	-659,577,000
O	Machinery of Government transfer of Natural Environment Research Council to the Department for Business, Innovation and Skills	-354,423,000
P	Machinery of Government transfer of Science and Technology Facilities Council to the Department for Business, Innovation and Skills	-533,238,000
Q	Machinery of Government transfer of Fees Payable under the Animals (Scientific Procedures) Act 1986	-300,000
R	Machinery of Government transfer of Higher Education Funding Council for England to the Department for Business, Innovation and Skills	-315,184,000

Totals	1,000,000	-3,585,149,000
Total RfR 2		-3,584,149,000
Total change in resources for Estimate:		-19,455,878,000

Changes in capitalSection Reason for Change

RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

Changes related to movements in budgetsMachinery of Government changes

A	Transfer of Activities in Support of all Functions to the Department for Business, Innovation and Skills	-2,166,000
F	Transfer of Knowledge Transfer to the Department for Business, Innovation and Skills	-11,965,000

Changes in Annually Managed Expenditure (AME)

G	Machinery of Government transfer of Student Loans to the Department for Business, Innovation and Skills	-4,808,431,000
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Totals		- -4,822,562,000
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Total RfR 1		-4,822,562,000
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Total changes in capital for Estimate:		-4,822,562,000
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- As a result of the above and associated non-cash adjustments, there is a decrease in the net cash requirement of £22,056,816,000
- Symbols are explained in the Introduction to this booklet.

Department for Innovation, Universities and Skills

Part I

£

Request for Resources 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.†	-15,871,729,000
Request for Resources 2: Increasing Scientific excellence in the UK and maximising its contribution to society.†	-3,584,149,000
Total additional net resource requirement	-19,455,878,000
Additional net cash requirement†	-22,056,816,000

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

RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

Further, higher and other education provision and initiatives for young people and adults; research and related initiatives at institutions delivering higher education; training, skills, enterprise, assessment and advice and guidance provision for young people, adults and employers and related initiatives; financial and other support for students and trainees, including grants, allowances, access funds, loans and their repayment, the resource consequences of loans to students, support for students through Local Authorities; the cost of sales of the student loan debt, reimbursement of fees for qualifying European Community students, post graduate awards, mandatory student awards, education maintenance allowances and childcare and transport support; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State under the terms of the TEC licence;

investments and loans to support PFI; initiatives and programmes supported by the European Union; international programmes, including payments to the Department for Work and Pensions for the UK subscription to the International Labour Organisation and other international programmes; initiatives to support, improve and promote education, training, skills and student and trainee support; payments to the Department for Business, Innovation and Skills in connection with the Regional Development Agencies and the London Development Agency; grants in aid and funding for the Higher Education Funding Council for England; the Learning and Skills Council, Investors in People UK, the Student Loans Company, Office for Fair Access, the Quality Improvement Agency, the Learning and Skills Improvement Service, Sector Skills Development Agency, the UK Commission for Employment and Skills, the Technology Strategy Board, innovation and standards, the Design Council and the British Standards Institute; activities of the new funding agencies for young people and adult provision; funding for the Construction Industry Training Board, Engineering Construction Industry Training Board and Film Industry Training Board; UK Intellectual Property Office; National Endowment for Science, Technology and the Arts; National Weights and Measures including the National Measurement Office; UK Accreditation Service; Information and publicity initiatives and services;

departmental and others' costs of administering the above, including payments to the Department for Children, Schools and Families; and income relating to the above. Expenditure covers cash, near-cash, capital and non-cash items. Expenditure covers payments, grants and loans to organisations in the public, private and other sectors, including employers, community, voluntary and business support organisations, to individuals and other government departments. Expenditure relates primarily to England, but in some cases includes supporting activities in other parts of the United Kingdom and abroad.

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

Research Councils; the Royal Society; the Royal Academy of Engineering; the British Academy; Research Base Initiatives; the Science Research Investment Fund; the Research Capital Investment Fund; promotion of Science in Society; Knowledge Transfer initiatives including the Higher Education Innovation Fund and Public Sector Research Establishments grants; fees payable under the Animals (Scientific Procedures) Act 1986; Research Council pensions; capital and administration costs of the Research Base Group and Government Office for Science; and associated non-cash items.

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

† The functions of innovation, universities and skills were transferred to the Department for Business, Innovation and Skills on 5 June 2009. Within the overall changes sought in this estimate, the specific changes relating to this Machinery of Government transfer are:

(a) for RfR1 the Net Resource Requirement is reduced by £15,871,729,000, operating appropriations-in-aid are reduced by £8,520,752,000 and non-operating appropriations-in-aid are reduced by £1,324,226,000;

(b) for RfR2 the Net Resource Requirement is reduced by £3,584,149,000 and operating appropriations-in-aid are reduced by £1,000,000; and

(c) the Net Cash Requirement is reduced by £22,056,816,000

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: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.						
		-24,392,481	-8,520,752	-15,871,729		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Activities to Support all Functions	78,887	-78,915	-28	-78,887	-
B	Higher Education	134,173	-136,382	-2,209	-134,173	-
C	Higher Education Support for Students	2,488,053	-2,488,053	-	-2,488,053	-
D	Further Education, Skills and International Programmes	356,029	-392,108	-36,079	-356,029	-
E	Further Education Receipts from DCSF	-7,565,424	-	-7,565,424	7,565,424	-
F	Science, Innovation and Knowledge Transfer	75,328	-78,487	-3,159	-75,328	-
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
G	Loans to Students	-	-913,853	-913,853	-	-
Non-Budget						
H	Higher Education Funding Council for England	7,524,065	-7,524,065	-	-7,524,065	-
I	Office for Fair Access	476	-476	-	-476	-
J	Student Loans Company	53,034	-53,034	-	-53,034	-
K	Investors in People UK	4,887	-4,887	-	-4,887	-
L	Learning and Skills Council	12,320,693	-12,320,693	-	-12,320,693	-
M	UK Commission for Employment and Skills	66,967	-66,967	-	-66,967	-

Part II: Changes proposed

Resources

£'000

		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
N	Quality Improvement Agency	276	-276	-	-276	-
O	Design Council	6,185	-6,185	-	-6,185	-
P	Knowledge Transfer and Innovation	500	-500	-	-500	-
Q	Technology Strategy Board	327,600	-327,600	-	-327,600	-
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society.			-3,585,149	-1,000	-3,584,149	
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Royal Society	45,823	-45,823	-	-45,823	-
B	Royal Academy of Engineering	12,138	-12,138	-	-12,138	-
C	British Academy	25,062	-25,062	-	-25,062	-
D	RB Initiatives	5,778	-5,778	-	-5,778	-
E	Science and Society	15,441	-15,441	-	-15,441	-
F	Economic Impact	12,500	-12,500	-	-12,500	-
G	Research Capital Investment Fund	48,676	-48,676	-	-48,676	-
H	Biotechnology and Biological Sciences Research Council	-1,000	-	-1,000	1,000	-
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
I	Research Councils Pension Scheme	42,543	-42,543	-	-42,543	-
Non-Budget						
J	Arts and Humanities Research Council	102,478	-102,478	-	-102,478	-

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
K Biotechnology and Biological Sciences Research Council	438,345	-438,345	-	-438,345	-
L Economic and Social Research Council	174,549	-174,549	-	-174,549	-
M Engineering and Physical Sciences Research Council	799,094	-799,094	-	-799,094	-
N Medical Research Council	659,577	-659,577	-	-659,577	-
O Natural Environment Research Council	354,423	-354,423	-	-354,423	-
P Science and Technology Facilities Council	533,238	-533,238	-	-533,238	-
Q Fees Payable under the Animals (Scientific Procedures) Act 1986	300	-300	-	-300	-
R Higher Education Funding Council for England	315,184	-315,184	-	-315,184	-
Total for Estimate:		-27,977,630	-8,521,752	-19,455,878	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	6,146,788	-6,146,788	-
Non-Operating A in A	1,324,226	-1,324,226	-
Net cash requirement	22,056,816	-22,056,816	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.							
-	-	-	-	-	-	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Activities to Support all Functions	-	-	-	-	-	-
B	Higher Education	-	-	-	-	-	-
C	Higher Education Support for Students	-	-	-	-	-	-
D	Further Education, Skills and International Programmes	-	-	-	-	-	-
E	Further Education Receipts from DCSF	-	-	-	-	-	-
F	Science, Innovation and Knowledge Transfer	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
G	Loans to Students	-	-	-	-	-	-
Non-Budget							
H	Higher Education Funding Council for England	-	-	-	-	-	-
I	Office for Fair Access	-	-	-	-	-	-
J	Student Loans Company	-	-	-	-	-	-
K	Investors in People UK	-	-	-	-	-	-
L	Learning and Skills Council	-	-	-	-	-	-
M	UK Commission for Employment and Skills	-	-	-	-	-	-
N	Quality Improvement Agency	-	-	-	-	-	-
O	Design Council	-	-	-	-	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources										Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating				
1	2	3	4	5	6		7	A in A	8			
P	Knowledge Transfer and Innovation	-	-	-	-	-	-	-	-	-	-	-
Q	Technology Strategy Board	-	-	-	-	-	-	-	-	-	-	-
RfR 2: Increasing Scientific excellence in the UK and maximising its contribution to society.												
		-	-	-	-	-	-	-	-	-	-	-
Spending in Departmental Expenditure Limits (DEL)												
<i>Central Government spending</i>												
A	Royal Society	-	-	-	-	-	-	-	-	-	-	-
B	Royal Academy of Engineering	-	-	-	-	-	-	-	-	-	-	-
C	British Academy	-	-	-	-	-	-	-	-	-	-	-
D	RB Initiatives	-	-	-	-	-	-	-	-	-	-	-
E	Science and Society	-	-	-	-	-	-	-	-	-	-	-
F	Economic Impact	-	-	-	-	-	-	-	-	-	-	-
G	Research Capital Investment Fund	-	-	-	-	-	-	-	-	-	-	-
H	Biotechnology and Biological Sciences Research Council	-	-	-	-	-	-	-	-	-	-	-
Spending in Annually Managed Expenditure (AME)												
<i>Central Government spending</i>												
I	Research Councils Pension Scheme	-	-	-	-	-	-	-	-	-	-	-
Non-Budget												
J	Arts and Humanities Research Council	-	-	-	-	-	-	-	-	-	-	-
K	Biotechnology and Biological Sciences Research Council	-	-	-	-	-	-	-	-	-	-	-
L	Economic and Social Research Council	-	-	-	-	-	-	-	-	-	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital	
		Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
		1	2	3	4	5	6	7	8
M	Engineering and Physical Sciences Research Council	-	-	-	-	-	-	-	-
N	Medical Research Council	-	-	-	-	-	-	-	-
O	Natural Environment Research Council	-	-	-	-	-	-	-	-
P	Science and Technology Facilities Council	-	-	-	-	-	-	-	-
Q	Fees Payable under the Animals (Scientific Procedures) Act 1986	-	-	-	-	-	-	-	-
R	Higher Education Funding Council for England	-	-	-	-	-	-	-	-
Total for Estimate:		-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	19,455,878	-19,455,878	-
Voted capital items			
Capital	6,146,788	-6,146,788	-
Less Non-operating A-in-A	1,324,226	-1,324,226	-
Total net voted capital	4,822,562	-4,822,562	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-878,338	878,338	-
Depreciation	-5,112	5,112	-
New provisions and adjustments to previous provisions	-1,375,074	1,375,074	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-250	250	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	37,150	-37,150	-
Total accruals to cash adjustments	-2,221,624	2,221,624	-
Excess cash to be CFERd	-	-	-
Net Cash Requirement	22,056,816	-22,056,816	-

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Total Net Operating Cost	-
<i>of which:</i>	
Net Resource Requirement	-
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	-

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

**2009-10
Provision**

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

Reconciliation of capital expenditure between Estimates and Budgets

£'000

**2009-10
Provision**

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities†

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Jon Shortridge, Permanent Head of the Department

Request for Resources 2: Sir Jon Shortridge, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

† Responsibility for RfR1 and RfR2 has been transferred to the Department for Business, Innovation and Skills (BIS) and will be accounted for by the BIS Accounting Officer

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

Programme	-
<i>of which:</i>	
Sale of goods and services	-
EU Income	-
Other grant income (including repayments of grants/subsidies)	-
Interest and dividends	-
Other income (including receipts)	-

Total RfR 1 -

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

Programme	-
<i>of which:</i>	
Other grant income (including repayments of grants/subsidies)	-

Total RfR 2 -

Total Operating A in A -

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

£'000

2009-10

RfR 1: To help build a competitive economy by: creating opportunities for everyone to develop their learning and skills and creating excellence in science, research and innovation.

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

Total RfR 1 -

Total Non-Operating A in A -

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL		Total
	Voted	Non-voted		Non-voted		
Resource DEL	4,118,212	-21,342,702	-	-	-	
<i>of which: †</i>						
Administration budget	-70,899	-	-	-	-	
Near-cash in RDEL	5,463,133	-21,157,240	-	-	-	
Capital DEL ††	136,193	-2,783,301	-	-	-	
Less Depreciation †††	5,112	158,263	-	-	-	
Total DEL	4,259,517	-23,967,740	-	-	-	

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

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

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

Cash which may be retained to offset expenditure

£'000

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

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

RfR/Section	Body	£'000
	None	

Contingent Liabilities

Nature of Liability	£'000
	None

International Subscriptions

RfR/Section	Body	£'000
	None	

Export Credits Guarantee Department

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
<u>Token increase</u>			
B5	Notional adjustment to operating appropriations-in-aid giving a net token increase to RfR1, and allowing non-operating appropriations-in-aid to be increased in the Supplementary estimate.	1,000	
<u>Totals</u>		1,000	-
<u>Total RfR 1</u>			1,000

RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

A1	Onerous lease provision (non cash) not required in 2008-09 but potential need to account for this rolls into 2009-10.	12,497,000	
A1	Additional administration (near cash) to enable increased demand for services to be met and the delivery of the cost reduction programme	6,383,000	
A1	Additional depreciation (non cash) reflecting re-planned capital spend (A7) to enable the delivery of savings through the cost reduction programme	104,000	

Other changes in DEL spending

A1	Adoption of IFRS (non cash) to reflect the impact on onerous lease provision	7,973,000	
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Other changes**Changes in operating appropriations-in-aid (not offset by changes in spending)**

B2	Additional income arising from increased demand for services	-26,956,000	
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<u>Totals</u>		26,957,000	-26,956,000
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<u>Total RfR 2</u>			1,000
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<u>Total change in resources for Estimate:</u>			2,000
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Changes in capitalSection Reason for Change**RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports****Other changes****Changes in non-operating appropriations-in-aid (fully offset by changes in spending)**

B7,B8	Funding of GEFCO revolving facility	5,000,000	-5,000,000
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<u>Totals</u>		5,000,000	-5,000,000
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<u>Total RfR 1</u>			-
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Section Reason for Change**RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports****Changes related to movements in budgets**Take up of DEL End-Year flexibility

A7	IT project spend re-planned from 2008-09 - required to enable the savings from the cost reduction programme	680,000	
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<u>Totals</u>		680,000	-
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<u>Total RfR 2</u>			680,000
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<u>Total changes in capital for Estimate:</u>			680,000
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2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £2,000
3. Symbols are explained in the Introduction to this booklet.

Export Credits Guarantee Department

Part I

	£
Request for Resources 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports	1,000
Request for Resources 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports	1,000
Total additional net resource requirement	2,000
Additional net cash requirement	2,000

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

RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports

Interest support to banks and other lenders of export finance and the funding of the refinancing programme, and on associated non-cash items

RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports

Export credit guarantees given in the national interest or to render economic assistance to overseas countries, overseas investment insurance, residual commitments under discontinued facilities, the cost escalation scheme subvention for the active management of the portfolio; provision of advice and services, relating to credit guarantees and insurance, to other government departments, and on associated non-cash items.

The **Export Credits Guarantee Department** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports		-	-1	1	
Non-Budget					
B GEFCO loans and interest equalisation	24,599	-	-1	1	24,600
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports		1	-	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	26,278	26,957	-	26,957	53,235
Non-Budget					
B Export Credits	-26,277	-26,956	-	-26,956	-53,233
Total for Estimate:		1	-1	2	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	422	5,680	6,102
Non-Operating A in A	-	5,000	5,000
Net cash requirement	1	2	3

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6		7	8
RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports								
-	39,263	30,031	69,294	39,719	29,575		5,000	5,000
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	Fixed Rate Export Finance							
-	30,865	-	30,865	25,890	4,975		-	-
Non-Budget								
B	GEFCO loans and interest equalisation							
-	8,398	30,031	38,429	13,829	24,600		5,000	5,000
RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports								
55,892	81,943	12,824	150,659	150,657	2		1,102	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration							
55,892	-	-	55,892	2,657	53,235		1,102	-
Non-Budget								
B	Export Credits							
-	81,943	12,824	94,767	148,000	-53,233		-	-
Total for Estimate:								
55,892	121,206	42,855	219,953	190,376	29,577		6,102	5,000

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	29,575	2	29,577
Voted capital items			
Capital	422	5,680	6,102
Less Non-operating A-in-A	-	5,000	5,000
Total net voted capital	422	680	1,102
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-58,288	-	-58,288
Depreciation	-17,158	-104	-17,262
New provisions and adjustments to previous provisions	-12,824	-20,470	-33,294
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-64,315	26,956	-37,359
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-61,495	-	-61,495
Increase (-) / Decrease (+) in creditors	56,800	-	56,800
Use of provisions	-	-	-
Total accruals to cash adjustments	-157,280	6,382	-150,898
Excess cash to be CFERd	127,284	-7,062	120,222
Net Cash Requirement	1	2	3

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision Income	Receipts	New Provision Income	Receipts
Operating income not classified as A in A	81,398	<i>24,598</i>	81,398	<i>24,598</i>
Non-operating income not classified as A in A	158,665	<i>158,665</i>	153,665	<i>153,665</i>
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>127,284</i>	-	<i>120,222</i>
Total	240,063	310,547	235,063	298,485

Forecast Operating Cost Statement

£'000

**2009-10
Provision**
Net Administration Costs

RfR 1	-
RfR 2	53,235
Total Net Administration costs	53,235

Net Programme Costs

RfR 1	29,575
RfR 2	-53,233
Non-voted	-81,398
Total Net Programme costs	-105,056

Total Net Operating Cost
-51,821
of which:

Net Resource Requirement	29,577
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-81,398
Reduction in planned spend unable to be included in Estimate	-

Resource Budget
58,210

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	29,577
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-81,398
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	-51,821
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	28,633
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	81,398
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	58,210
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	53,235
Annually Managed Expenditure (AME)	4,975

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	1,102
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-153,665
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	-152,563
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,102
Annually Managed Expenditure (AME)	-153,665

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Patrick Crawford, Chief Executive of ECGD

Request for Resources 2: Patrick Crawford, Chief Executive of ECGD

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports

Programme	39,719
<i>of which:</i>	
Interest and dividends	39,719

Total RfR 1	39,719†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from interest make-up receipts.

RfR 2: To provide export credit guarantees and investment insurance to benefit the UK economy by facilitating exports

Administration	2,657
<i>of which:</i>	
Sale of goods and services	2,657
Programme	148,000
<i>of which:</i>	
Sale of goods and services	86,700
Interest and dividends	61,300

Total RfR 2	150,657†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: premium and moratorium interest; income from other government departments relating to credit guarantees and insurance advice and services.

Total Operating A in A	190,376
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: To provide export finance assistance through interest support to benefit the UK economy by facilitating exports

Programme	5,000
<i>of which:</i>	
Loan, etc, repayments	5,000

Total RfR 1	5,000†
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† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loan principal.

Total Non-Operating A in A	5,000
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Notes to the Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

£'000
**2009-10 Provision
Income Receipts**

Premium income, moratorium interest, movement in provisions ●	56,800	-
Loan repayments (principal) Δ	153,665	153,665
Loan repayments (interest) ●	24,598	24,598
Excess cash receipts to be surrendered to the Consolidated Fund ●	-	120,222
Total	235,063	298,485

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL		
	Voted	Non-voted	Voted	Non-voted	Total	
Resource DEL	26,957	-	53,235	-	53,235	
<i>of which: †</i>						
Administration budget	26,957	-	53,235	-	53,235	
Near-cash in RDEL	6,383	-	31,830	-	31,830	
Capital DEL ††	680	-	1,102	-	1,102	
Less Depreciation †††	-104	-	-662	-	-662	
Total DEL	27,533	-	53,675	-	53,675	

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	195,376

Notes to the Estimate (*continued*)

Changes in Accounting Policies

Following the first time adoption of IAS37, £7,973,000 (non cash) has been included in RfR2 , section A1, as a consequence of the new standard and the impact on onerous lease provision requirements.

Home Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Working together to protect the public			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
The United Kingdom Border Agency (UKBA) was transferred to the Home Office on 1 April 2009. The specific changes relating to this machinery of government transfer from HM Revenue and Customs are:			
E1	Admin near cash	267,373,000	
G1	Admin near cash	508,000	
E1	Admin non cash	3,508,000	
E2	Programme near cash	24,557,000	
E2	Programme non cash	7,220,000	
<u>Take up of Departmental Unallocated Provision</u>			
G2	Programme non cash to Central Services following a re-allocation of resources in the mid year review.	1,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
D2	Reduction in programme near cash reflecting the Home Office's contribution to the Department for Communities and Local Government's affordable housing programme 'Building Britain's Future'.		-40,000,000
E2	Reduction in programme near cash. This is a re-allocation of resource DEL to the Ministry of Justice for the European Economic Area modelling policy.		-252,000
B2	Reduction in programme near-cash spending. This is a re-allocation of resource DEL to fund the Ministry of Justice's additional costs of implementing the provisions of the Violent Crime Reduction Act.		-2,358,000
B2	Reduction in programme near-cash spending. This is a re-allocation of resource DEL to fund the Crown Prosecution Service's additional costs of implementing the provisions of the Violent Crime Reduction Act.		-148,000
A2	Increase in programme near-cash reflecting the Ministry of Justice's contribution towards the British Crime Survey.	489,000	

Transfers from resource spending to capital spending (not capital grants)

D3 to D7	Capital grants to capital additions to reflect the latest forecast breakdown of OSCT's delegated budget. The capital addition is shown under the 'Transfer from capital grants to capital' heading in the 'Changes in capital' section below.		-14,856,000
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Changes in operating appropriations- in- aid (not offset by changes in spending)

Change of resource allocation to reflect the latest forecast breakdown of CPG's delegated budget:
The income changes shown below score as capital DEL . The associated capital expenditure is shown under the 'Transfers from resources to capital' heading in the 'Changes in capital' section below.

A5 and A7			-3,250,000
B5 and B7		1,800,000	

Changes in Annually Managed Expenditure (AME)

O3	Increase to reflect the latest forecast of the police pensions shortfall.	197,000,000	
S2	Increase to record employee benefits in accordance with International Financial Reporting Standards (IFRS).	1,056,000	

Other changesResource transfers within the Request for Resources

B1 to G1	Admin near cash for the Crime Reduction website.	40,000	-40,000
B2 to G2	Programme near cash for the Crime Reduction website.	426,000	-426,000
E1 to G1	Admin near cash for legal services (£610k), the Science and Research Group (£815k), Strategy and Reform Group (£3,000) and for information management services (£60k).	4,485,000	-4,485,000
F1 to G1	Admin near cash for legal services.	307,000	-307,000
D2 to E2	Programme near cash to UKBA following a re-allocation of resources in the mid year review.	25,500,000	-25,500,000
D2 to G2	Programme near cash (£16,500k) and non cash (£9,000k) to Central Services following a re-allocation of resources in the mid year review.	25,500,000	-25,500,000
	Change of resource allocation to reflect the latest forecast breakdown of OSCT's delegated budget:		
D3 to D2	Programme	211,000	-211,000
D3 to K3	Programme grants	40,140,000	-40,140,000
	Change of resource allocation to reflect the latest forecast breakdown of CPG's delegated budget:		
	Admin		
B1 to A1		4,181,000	-4,181,000
C1 to A1		1,000	-1,000
	Programme		
B2 to A2		40,336,000	-40,336,000
B2 to C2		300,000	-300,000

A3 to J3	9,249,000	-9,249,000
A3 to I3	39,636,000	-39,636,000
B3 to I3	30,175,000	-30,175,000
B3 to A3	3,050,000	-3,050,000
B5 to A5	49,144,000	-49,144,000

Transfers to/from non-voted spending

D2	Programme near cash to fund the transfer of the Police National Search Centre to the National Policing Improvement Agency.		-1,200,000
D2	Programme near cash to fund counter terrorism activities of the Serious Organised Crime Agency.		-500,000
A2	Programme non cash to cover additional depreciation charges of the National Policing Improvement Agency (£2,400K) and the Serious Organised Crime Agency (£2,400k).		-4,800,000
D2	Programme near cash to the Departmental Unallocated Provision following the results of the mid year review.		-3,000,000
E1	Admin near cash to the Departmental Unallocated Provision to reflect the contingency included within the machinery of government transfer from HMRC to UKBA. Near cash to non voted to reflect the budgeting treatment of PFI projects under the European System of Accounts (ESA95).		-2,925,000
C1	CRB admin		-60,147,000
E2	UKBA Programme		-79,782,000
G1	Central Services admin		-92,761,000
	Change of resource allocation to reflect the latest forecast breakdown of CPG's delegated budget:		
B2 and B3	Programme to the National Policing Improvement Agency.		-1,464,000
B2 and B3	Programme to the Serious Organised Crime Agency.		-8,568,000
B2	Programme to the Independent Police Complaints Commission.		-20,000
B5	Programme income to the Serious Organised Crime Agency.	956,000	
I3	Programme to the Serious Organised Crime Agency.		-6,002,000

Changes in non-budget spending

R3	Increase in grant-in aid as a result of a transfer of budgetary cover from section D to the National Policing Improvement Agency (shown in the 'Transfers to/from non-voted spending' above).	1,200,000	
R3	Increase in grant in aid as a result of a transfer of budgetary cover from section D to the Serious Organised Crime Agency (shown in the 'Transfers to/from non-voted spending' above). Increase in OCE to reflect the accounting treatment of PFI projects under International Financial Reporting Standards (IFRS).	500,000	
T2	CRB	59,252,000	
T2	UKBA	79,540,000	
T2	Central Services	103,423,000	

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

D2 and D5	Increase in programme income and near-cash spending for funding the Research Information and Communications Unit (£4,500k), for recovering the costs of providing communications data (£1,307k) and for laboratory services provided to the Police (£100k).	5,907,000	-5,907,000
B3 and B5	Increase in programme income and grant spending for youth (£6,000k) and hate (£500k) crime prevention funding.	6,500,000	-6,500,000
E2 and E5	Increase in programme income and near-cash spending in respect of vehicle waiver test and settlement casework.	20,544,000	-20,544,000
G1 and G5	Increase in admin income and expenditure for training (£675k), property management (£2,930k), IT services (£4,929k), information management (£162k) and pay and pension services (£6,000k).	14,696,000	-14,696,000
G2 and G5	Increase in programme income and expenditure for property management services.	102,154,000	-102,154,000
G2 and G5	Increase in programme income and expenditure for interchange of staff between the Civil Service and other public, private and voluntary organisations.	2,000,000	-2,000,000
F2 and F5	Reduction in programme income and expenditure to reflect the latest forecast breakdown of delegated budgets. Change of resource allocation to reflect the latest forecast breakdown of CPG's delegated budget:	5,166,000	-5,166,000
C1 and C5	Reduction in admin income	3,452,000	-3,452,000
A3 and A5	Increase in programme income	150,000	-150,000
	Totals	1,182,632,000	-755,283,000

Total RfR 1 **427,349,000**

Total change in resources for Estimate: **427,349,000**

Changes in capital

RfR 1: Working together to protect the public

Section Reason for Change

Changes related to movements in budgets

Machinery of Government changes

The United Kingdom Border Agency (UKBA) was transferred to the Home Office on 1 April 2009. The specific changes relating to this machinery of government transfer are:

E7	Capital	13,218,000	
E8	Non operating A in A		-137,000

Transfers of budgetary cover to/from other government departments

D7	Reduction in capital reflecting the Home Office's contribution to the Department for Communities and Local Government's affordable housing programme 'Building Britain's Future'.		-5,000,000
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Other changes**Transfers within the Estimate**

E7 to F7	Capital for implementing the National Identity Assurance System (NIAS).	18,700,000	-18,700,000
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Transfers from resources to capital

Change in capital additions. The associated capital DEL income scores as resource in estimates and is shown under the 'Changes in operating appropriations-in-aid (not offset by changes in spending)' heading in the 'Changes in resources' section above.

A5 and A7		3,250,000	
B5 and B7			-1,800,000

Transfers from capital grants to capital

D3 to D7	Capital grants to capital additions to reflect the latest forecast breakdown of OSCT's delegated budget. The capital grant reduction is shown under the 'Transfer from resource spending to capital spending (capital grants)' heading in the 'Changes in resource' section above.	14,856,000	
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Totals

		50,024,000	-25,637,000
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Total RfR 1**24,387,000****Total changes in capital for Estimate:****24,387,000**

- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £429,459,000.
-
- Symbols are explained in the Introduction to this booklet.

Home Office

Part I

	£
Request for Resources 1: Working together to protect the public†	427,349,000
Total additional net resource requirement	427,349,000
Additional net cash requirement†	429,459,000

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

RfR 1: Working together to protect the public

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

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

† The United Kingdom Border Agency (UKBA) was transferred to the Home Office on 1 April 2009. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is increased by £ 303,166,000;
- b) non-operating A in A is increased by £ 137,000; and
- c) the net cash requirement is increased by £ 305,519,000.

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: Working together to protect the public		571,176	143,827	427,349	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Police	127,245	-5,478	52,544	-58,022	69,223
B Crime reduction and Drugs	109,598	-84,566	-45,400	-39,166	70,432
C Criminal Records Bureau	-	-63,300	-3,452	-59,848	-59,848
D Office of Security and Counter terrorism	405,104	-144,789	5,907	-150,696	254,408
E UK Border Agency	1,216,391	261,258	20,544	240,714	1,457,105
F Identity and passport service	114,212	-5,473	-5,166	-307	113,905
G Central services	226,013	58,355	118,850	-60,495	165,518
<i>Support for Local Authorities</i>					
I Police grants	5,538,663	63,809	-	63,809	5,602,472
J Crime Reduction and Drugs grants	208,300	9,249	-	9,249	217,549
K Office for Security and Counter Terrorism grants	620,678	40,140	-	40,140	660,818
Spending in Annually Managed Expenditure (AME)					
<i>Support for Local Authorities</i>					
O Police Superannuation	500,000	197,000	-	197,000	697,000
Non-Budget					
R Grant in aid to NDPBs	1,154,937	1,700	-	1,700	1,156,637

Part II: Changes proposed

Resources

£'000

		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
S	AME Charges	-	1,056	-	1,056	1,056
Non-Budget						
T	IFRS Adjustments	-	242,215	-	242,215	242,215
Total for Estimate:			571,176	143,827	427,349	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	279,585	24,524	304,109
Non-Operating A in A	-	137	137
Net cash requirement	10,600,665	429,459	11,030,124

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Working together to protect the public								
618,478	2,982,013	8,743,985	12,344,476	1,465,458	10,879,018	304,109	137	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Police							
26,542	70,999	25,746	123,287	54,064	69,223	3,950	-	
B	Crime reduction and Drugs							
26,614	11,686	38,632	76,932	6,500	70,432	-	-	
C	Criminal Records Bureau							
56,224	300	-	56,524	116,372	-59,848	-	-	
D	Office of Security and Counter terrorism							
25,674	122,658	111,983	260,315	5,907	254,408	35,856	-	
E	UK Border Agency							
370,231	1,856,098	-	2,226,329	769,224	1,457,105	146,932	137	
F	Identity and passport service							
2,641	496,551	-	499,192	385,287	113,905	112,371	-	
G	Central services							
110,552	180,413	11	290,976	125,458	165,518	5,000	-	
H	European Solidarity Mechanism							
-	-	1	1	-	1	-	-	
<i>Support for Local Authorities</i>								
I	Police grants							
-	-	5,602,472	5,602,472	-	5,602,472	-	-	
J	Crime Reduction and Drugs grants							
-	-	217,549	217,549	-	217,549	-	-	
K	Office for Security and Counter Terrorism grants							
-	-	660,818	660,818	-	660,818	-	-	
L	UK Border Agency							
-	-	144,700	144,700	-	144,700	-	-	
M	Area Based Grants							
-	-	79,591	79,591	-	79,591	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
N	Police superannuation							
-	-	900	900	2,646	-1,746	-	-	

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital			
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A		
1	2	3	4	5	6	7	8		
<i>Support for Local Authorities</i>									
O	Police Superannuation	-	-	697,000	697,000	-	697,000	-	-
Non-Budget									
P	Fine refunds to carriers	-	37	-	37	-	37	-	-
Q	Loan charges	-	-	7,945	7,945	-	7,945	-	-
R	Grant in aid to NDPBs	-	-	1,156,637	1,156,637	-	1,156,637	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
S	AME Charges	-	1,056	-	1,056	-	1,056	-	-
Non-Budget									
T	IFRS Adjustments	-	242,215	-	242,215	-	242,215	-	-
Total for Estimate:									
	618,478	2,982,013	8,743,985	12,344,476	1,465,458	10,879,018	304,109	137	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	10,451,669	427,349	10,879,018
Voted capital items			
Capital	279,585	24,524	304,109
Less Non-operating A-in-A	-	137	137
Total net voted capital	279,585	24,387	303,972
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-20,485	-2,838	-23,323
Depreciation	-131,574	-17,048	-148,622
New provisions and adjustments to previous provisions	-2,000	-11,309	-13,309
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	4,971	-	4,971
Increase (-) / Decrease (+) in creditors	6,169	8,918	15,087
Use of provisions	12,330	-	12,330
Total accruals to cash adjustments	-130,589	-22,277	-152,866
Excess cash to be CFERd	-	-	-
Net Cash Requirement	10,600,665	429,459	11,030,124

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	487,410
Total Net Administration costs	487,410

Net Programme Costs

RfR 1	10,391,608
Non-voted	-140,000
Total Net Programme costs	10,251,608

Total Net Operating Cost**10,739,018***of which:*

Net Resource Requirement	10,879,018
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-140,000
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**10,304,664**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	10,879,018
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-140,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	10,739,018
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-236,689
European Union income related to capital grants	-
Voted expenditure outside the budget	-250,197
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	16,000
Resource consumption of non departmental public bodies	-283,242
Unallocated resource provision	86,184
Other adjustments	233,590
Resource Budget (Budget)	10,304,664
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,608,354
Annually Managed Expenditure (AME)	696,310

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	303,972
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	207,500
Capital grants	236,689
European Union income related to capital grants	-
Supported capital expenditure (revenue)	73,320
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-3,400
Capital Budget (Budget)	818,081
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	818,081
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Working together to protect the public

Administration	131,068
<i>of which:</i>	
Sale of goods and services	131,068
Programme	1,334,390
<i>of which:</i>	
Sale of goods and services	969,152
Regulatory licences, fines, penalties and taxes	352,692
Pension scheme related income	2,646
Other income (including receipts)	9,900
Total RfR 1	1,465,458†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from government departments, overseas Governments, sale and hire of vehicles, plant, machinery, land and buildings, rent, accommodation charges, sale of equipment and scrap, recoveries of VAT, tax rebates, recovery of salaries of staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, telephone, postal and bank charge recoveries, tax rebates.

Also: European Fast Stream receipts from the Cabinet Office, subsidies under the Welfare to Work programme, contributions towards grant programmes, training services, profit on the sale of capital assets, compensation and insurance, contributions towards criminal justice system initiatives, rebates and commission from service contracts, payments from Health Authorities, payments from the Scottish Executive, Northern Ireland Office and the National Assembly for Wales and from the Learning and Skills Council, the Heritage Lottery Fund and Sport England.

Payment of dividends and repayment of principal and interest on the deemed and long-term loans by the Forensic Science Service, receipts from police training courses and repayment services, police examinations board, Police National Computer Organisation repayment services, loan of specialised equipment, repayment of support for Police Dependants Trust, National Identification Bureau-subject access fees.

HM Inspectorate of Constabulary inspection, Superintendents Association contribution to police negotiating machinery, research repayment services and sub-bureaux contributions to Interpol subscription, payments in respect of the lease of Allington Towers, fees for licence for production, supply, possession, import and export of controlled drugs, police services superannuation transfer values received from local authorities, fees for documents of identity: receipts under the Data Protection Acts 1984 and 1998 and Freedom of Information Act 2000.

Charges for provision of additional (or special) immigration services, receipts in connection with the Channel Tunnel, from carrying companies for any expenses incurred in respect of certain persons detained or liable to be detained under 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.

Total Operating A in A	1,465,458
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Working together to protect the public

Programme	137
<i>of which:</i>	
Sale of assets	137

Total RfR 1	137†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of land, buildings, plant, equipment, vehicles and other capital assets and contributions to criminal justice system initiatives.

Total Non-Operating A in A	137
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	20,584	233,496	8,542,585	1,065,769	9,608,354
<i>of which: †</i>					
Administration budget	115,556	155,833	487,410	188,130	675,540
Near-cash in RDEL	9,120	234,232	8,377,062	1,023,065	9,400,127
Capital DEL ††	-10,819	18,900	537,261	280,820	818,081
Less Depreciation †††	2,683	649	-128,891	-55,324	-184,215
Total DEL	12,448	253,045	8,950,955	1,291,265	10,242,220

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,465,595

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

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

RfR/Section	Service	£'000
RfR1 - B3	UK Central Authority	185

Notes to the Estimate (*continued*)

Changes in Accounting Policies

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

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

RfR/Section	Body	£'000
RfR - R	Independent Police Complaints Commission ♥	38,324
RfR - R	Serious Organised Crime Agency ♥	460,272
RfR - R	Office of the Immigration Service Commissioner ♥	5,404
RfR - R	National Policing Improvement Agency ♥	639,737
RfR - R	Independent Safeguarding Authority ♥	12,900

Charity Commission

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Giving the public confidence in the integrity of charity			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL end-year flexibility</u>		
A1	To pay for costs associated with the London, Liverpool and Taunton Accommodation rationalisation and filestore rationalisation to produce future savings.	1,000,000	
<u>Other changes</u>			
	<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>		
A1	To provide guidance and training to areas of the world where the regulatory infrastructure is not as developed as it is in the UK.	1,000,000	-1,000,000
<u>Totals</u>		2,000,000	-1,000,000
Total RfR 1		1,000,000	
Total change in resources for Estimate:		1,000,000	

<u>Changes in capital</u>			
<u>Section</u>	<u>Reason for Change</u>		
RfR 1: Giving the public confidence in the integrity of charity			
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL End-Year flexibility</u>		
A7	To pay for costs associated with the London, Liverpool and Taunton Accommodation rationalisation and filestore rationalisation to produce future savings.	615,000	
<u>Totals</u>		615,000	-
Total RfR 1		615,000	
Total changes in capital for Estimate:		615,000	

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £1,615,000.
3. Symbols are explained in the Introduction to this booklet.

Charity Commission

Part I

	£
Request for Resources 1: Giving the public confidence in the integrity of charity	1,000,000
Total additional net resource requirement	1,000,000
Additional net cash requirement	1,615,000

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

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

Administration, capital expenditure and associated non-cash items.

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Giving the public confidence in the integrity of charity		2,000	1,000	1,000	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	30,219	2,000	1,000	1,000	31,219
Total for Estimate:		2,000	1,000	1,000	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	700	615	1,315
Non-Operating A in A	-	-	-
Net cash requirement	29,819	1,615	31,434

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: Giving the public confidence in the integrity of charity							
32,719	-	-	32,719	1,500	31,219	1,315	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
32,719	-	-	32,719	1,500	31,219	1,315	-
Total for Estimate:							
32,719	-	-	32,719	1,500	31,219	1,315	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	30,219	1,000	31,219
Voted capital items			
Capital	700	615	1,315
Less Non-operating A-in-A	-	-	-
Total net voted capital	700	615	1,315
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-150	-	-150
Depreciation	-770	-	-770
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,100	-	-1,100
Excess cash to be CFERd	-	-	-
Net Cash Requirement	29,819	1,615	31,434

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

31,219

Total Net Administration costs

31,219**Total Net Operating Cost**

31,219

of which:

Net Resource Requirement

31,219

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget

31,219

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	31,219
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	31,219
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	31,219
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	31,219
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

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

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Voted	Change Non-voted	Voted	New DEL Non-voted	Total
Resource DEL	1,000	-	31,219	-	31,219
<i>of which: †</i>	1,000	-	31,219	-	31,219
Administration budget					
Near-cash in RDEL	1,000	-	30,119	-	30,119
Capital DEL ††	615	-	1,315	-	1,315
Less Depreciation †††	-	-	-770	-	-770
Total DEL	1,615	-	31,764	-	31,764

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

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

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

Cash which may be retained to offset expenditure

£'000

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

Ministry of Justice

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>DEL Reserve claims</u>			
A2	Near cash Reserve claim in relation to the Carter Prisons Capacity Programme	110,000,000	
A2	Non cash Reserve claim in relation to the Carter Prisons Capacity Programme	15,000,000	
A2	Near cash Reserve claim in relation to the Workforce Modernisation	34,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
Net Transfers from the Home Office totalling £2,121,000 as follows:			
B2	i) EEA Modelling	19,000	
E2	ii) EEA Modelling	49,000	
K3	iii) EEA Modelling	135,000	
H2	iv) EEA Modelling	49,000	
B2	v) Violent Crime Reduction Act	138,000	
K3	vi) Violent Crime Reduction Act	286,000	
H2	vii) Violent Crime Reduction Act	1,934,000	
F2	viii) British Crime Survey		-489,000
Net Transfers from the Department for Work and Pensions totalling £13,320,000 as follows:-			
K3	i) ESA (Jobcentre Plus) Transfer of Appeals Court	4,600,000	
E2	ii) ESA (Jobcentre Plus) Transfer of Appeals Court	4,000,000	
K3	iii) Child Support Reform Funding	4,500,000	
E2	iv) Child Support Reform Funding	220,000	
Net Transfers to the Department of Health totalling £10,855,000 as follows:-			
E1	i) FHSAA Admin support	200,000	

E2	ii) Mental Health Review Tribunal Funding	1,789,000	
K3	iii) Mental Health Review Tribunal Funding	1,891,000	
H2	iv) Ministerial Council on Death in Custody	75,000	
H2	v) Healthcare services for additional prison places opened in 2006 to 2010		-14,810,000
Net transfers to the Department for Business Innovation and Skills totalling £24,295,000 as follows:-			
H2	i) Offender Learning, transfer of resources relating to skills costs of additional prison capacity (relating to 2005-2010)		-27,736,000
H2	ii) Immigration removal centres	833,000	
H2	iii) Offender Learning, transfer resources relating to the transfer of planning and funding responsibility for prison education	1,189,000	
H2	iv) Offender Learning, transfer of resources relating to skills costs of additional prison capacity - Private Prisons (relating to 2009-10)	1,641,000	
A2	v) Government Skills Strategy		-222,000
Net transfers from the Department for Children Schools and Families totalling £291,000 as follows:-			
H2	i) Enforcement order provisions of the Children and Adoption Act 2006 in 2009/10	62,000	
P3	ii) Enforcement order provisions of the Children and Adoption Act 2006 in 2009/10	229,000	
Net transfers to the Crown Prosecution Service totalling £8,123,000 as follows:-			
F2	i) London Criminal Justice Board - Challenge Fund		-10,000
F2	ii) London Criminal Justice Board - Core Fund		-572,000
F2	iii) London Criminal Justice Board - Realising Potential		-75,000
F2	iv) Local Criminal Justice Boards Core Funding (London & Dyfed-Powys)		-149,000
F2	v) Compass Case Management System		-4,300,000
F2	vi) Victims Surcharge		-2,600,000
G2	vii) Road Safety Act		-417,000
Net transfers to HM Revenue and Customs totalling £4,198,000 as follows:-			
E2	i) National Insurance Funding		-4,198,000
Net transfer to the Welsh Assembly Government totalling £208,000 as follows:-			
H2	i) Healthcare services for additional prison places		-208,000
<u>Other changes in DEL spending</u>			
A2	Increase in Information Commissioner Funding resource to capital	1,420,000	

F2	Fund the YJB's Wiring Up Youth Justice project resource to capital	3,400,000	
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
E2 to A2	Transfer of ETS - Resilience costs	146,000	-146,000
E2 to A2	Transfer LAN hardware & WAN Cabinet	3,000	-3,000
E1 to A1	Transfer of MI & Business Planning Services costs	251,000	-251,000
F2 to A2	Transfer of CJIT/MTU Aramis costs	109,000	-109,000
A2 to B2	Transfer of PCOL Marketing Costs	10,000	-10,000
A2 to B2	Transfer in relation to Libra project	2,400,000	-2,400,000
A2 to B2	Payroll transfer	28,000	-28,000
E1 to A1	Transfer for Provision of Oracle licenses	28,000	-28,000
E2 to A2	Costs for Martha Database	82,000	-82,000
A1 to F1	Transfer of Criminal Procedure Rule Committee Secretariat	19,000	-19,000
A1 to F1	Staff & Management costs for co-ordination of National Preventative Measures	35,000	-35,000
A2 to F2	Contribution to GRECO funding 2009	31,000	-31,000
A2 to M3	Additional non cash funding for Information Commissioner	90,000	-90,000
A2 to B2	Staffing costs	64,000	-64,000
A2 to B2	Staffing & Training costs	89,000	-89,000
A1 to F1	Transfer in relation to Criminal Procedure Rule Committee Secretariat costs	226,000	-226,000
E1 to A1	Staffing costs	66,000	-66,000
B1 to A1	Transfer in relation to the JPAD	1,823,000	-1,823,000
A2 to B2	Staffing costs	30,000	-30,000
C2 to B2	Transfer in relation to The Court of Protection	3,910,000	-3,910,000
C5 to B5	Transfer in relation to The Court of Protection	6,864,000	-6,864,000
B2 to F2	Transfer in relation to Engaging Communities in Justice	2,522,000	-2,522,000
A2 to B2	Transfer in relation to Health & Safety costs	150,000	-150,000
B2 to A2	Transfer in relation to Pension Provisions	12,000,000	-12,000,000
A2 to B2	RCJ Legal Training	44,000	-44,000
B2 to F2	Sentencing and Advisory Panel	70,000	-70,000
A1 to G1	Transfer in relation to Early retirement provisions	498,000	-498,000
H2 to A2	Transfer in relation to Workforce Modernisation Programme	34,000,000	-34,000,000
H2 to F2	Transfer in relation to Attendance Centres costs	164,000	-164,000
H2 to F2	Transfer in relation to Academy of Justice Budget	100,000	-100,000
A2 to H2	Transfer in relation to Together Womens Project	508,000	-508,000
A2 to H2	Transfer in relation to Together Womens Project	465,000	-465,000
H2 to P3	Transfer in relation to PSO Induction	630,000	-630,000
H2 to P3	Transfer in relation to Alcohol Best Practice programme	100,000	-100,000
H2 to P3	Transfer in relation to Intensive Alternatives to Custody Project	1,271,000	-1,271,000
P3 to H2	Transfer in relation to the creation of two new Trusts (Greater Manchester and Lancashire)	76,442,000	-76,442,000
A2 to F2	Transfer in relation to Research and Analysis Unit	395,000	-395,000
A2 to F2	Transfer in relation to the Corston Plus Project - Diverting Women from Custody	6,027,000	-6,027,000
A2 to Q3	Transfer in relation to the Youth Crime Action Plan - Part 1 - Intensive Package	5,000,000	-5,000,000
A2 to Q3	Transfer in relation to the Youth Crime Action Plan - Part 2 - Resettlement	3,000,000	-3,000,000

H2 to A2	To cover Solicitor costs for litigation.	516,000	-516,000
A2 to B2	Staffing costs	111,000	-111,000
A2 to B2	Community Payback scheme	500,000	-500,000
A2 to B2	Transfer in relation to Workforce Modernisation Programme	4,800,000	-4,800,000
A2 to E2	Additional Funding for Tribunals Service	52,500,000	-52,500,000
A2 to C2	Transfer in relation to Workforce Modernisation Programme	200,000	-200,000
A2 to D2	Additional Funding for Central Funds	34,000,000	-34,000,000
A2 to G2	Transfer in relation to Workforce Modernisation Programme	17,600,000	-17,600,000
A2 to G2	Transfer in relation to Workforce Modernisation Programme (eProcurement system)	2,066,000	-2,066,000
F2 to Q3	Transfer in relation to Information Handoff project, Wiring Up Youth Justice project & Wiring Up Youth Justice project	1,270,000	-1,270,000

Increases in non-budget spending

R3	Increase in Cash requirement to pay creditors	36,000,000	
L3	Increase in Cash requirement to pay creditors	37,000,000	

Decreases in non-budget spending

P3	Reduction in Cash funding within National Probation Boards		-2,312,000
M3	Reduction in Cash funding within Information Commissioner		-90,000

Transfers to/from non-budget spending

A2	Realignment of Non cash spend to agree to CSR07 Settlement letter results in a move of provision from non - voted to voted status	26,853,000	
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

A1 and A5	Increase in Income relating to Internal audit activities	132,000	-132,000
A2 and A5	Increase expected in income from Claims Management Regulation	750,000	-750,000
B2 and B5	In relation to remissions in the Court of Protection CoP Income	658,000	-658,000
E2 and E5	Recover of National Insurance funding	17,879,000	-17,879,000
F2 and F5	Recovery of Income in relation Community Cashback Scheme (receivable from Home Office)	4,000,000	-4,000,000
F2 and F5	Recovery of income - In relation to Receipts from Victims Surcharge	6,500,000	-6,500,000
A2 and A5	Recovery of Income In relation to CCRC cases in Northern Ireland	211,000	-211,000

<u>Totals</u>		590,895,000	-361,571,000
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<u>Total RfR 1</u>			229,324,000
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RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government

<u>Section</u>	<u>Reason for Change</u>		
	<u>Other changes</u>		
	<u>Increases in non-budget spending</u>		
D3	Increase in grant payable to the Scottish Consolidated Fund	730,029,000	
	<u>Totals</u>	730,029,000	-
Total RfR 2			730,029,000

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

<u>Section</u>	<u>Reason for Change</u>		
	<u>Other changes</u>		
	<u>Increases in non-budget spending</u>		
B3	Increase in grant payable to the Welsh Consolidated Fund	37,771,000	
	<u>Totals</u>	37,771,000	-
Total RfR 3			37,771,000
Total change in resources for Estimate:			997,124,000

Changes in capital

Section Reason for Change

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

Changes related to movements in budgets

DEL Reserve claims

A7	Increase in capital in relation to Prison Capacity Programme	100,000,000	
	<u>Capital transfers within the Request for Resources</u>		
B7 to A7	Witness Video Links	880,000	-880,000
F7 to H7	Disruption of Mobile Phones in Prisons project	790,000	-790,000

H7 to A7	Contribution to development/enhancement of Public Protection Unit Database	1,350,000	-1,350,000
A7 to H7	Prisons Capacity Programme	47,000,000	-47,000,000

Other changes in DEL spending

F7	Fund the YJB's Wiring Up Youth Justice project.		-3,400,000
A7	Funding for Information Commissioner		-1,420,000

Take up of Departmental Unallocated Provision

A7	Drawdown of capital from Departmental Unallocated Provision	163,765,000	
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<u>Totals</u>		313,785,000	-54,840,000
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Total RfR 1			258,945,000
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Total changes in capital for Estimate:			258,945,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £1,241,508,000.
- Symbols are explained in the Introduction to this booklet.

Ministry of Justice

Part I

	£
Request for Resources 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all	229,324,000
Request for Resources 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government	730,029,000
Request for Resources 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales	37,771,000
Total additional net resource requirement	997,124,000
Additional net cash requirement	1,241,508,000

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

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

HQ and associated offices; administration of the Judicial Pension Scheme; administration of the Office of the Information Commissioner and the Judicial Appointments Commission; Costs of running the Office for Judicial Complaints and the Judicial Appointments and Conduct Ombudsman; costs of running the offices of the Legal Services Ombudsman and the Legal Services Complaints Commissioner; costs of operating the Legal Services Board and the associated Levy; costs associated with the implementation of the Office of Legal Complaints. Costs associated with the implementation of the Independent Parliamentary Standards Authority

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

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

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

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

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

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

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

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

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

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

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all		274,884	45,560	229,324	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Policy, Corporate Services & Associated Offices	383,055	110,050	4,363	105,687	488,742
B HM Courts Service	850,963	-4,780	6,206	-10,986	839,977
C Office of the Public Guardian	-2,310	-3,710	-6,864	3,154	844
D Costs from Central Funds	60,000	34,000	-	34,000	94,000
E Tribunals Service	239,799	71,863	17,879	53,984	293,783
F Criminal Justice Reform	170,332	10,515	10,500	15	170,347
G National Offender Management Service HQ	332,557	19,249	-	19,249	351,806
H National Offender Management Service Operations	3,477,939	17,139	13,476	3,663	3,481,602
Non-Budget					
J Criminal Defence Service	1,199,246	286	-	286	1,199,532
K Community Legal Service	840,444	48,126	-	48,126	888,570
O National Probation Services (local area boards)	783,426	-76,524	-	-76,524	706,902
P Youth Justice Board	443,000	12,670	-	12,670	455,670
Q Criminal Injuries Compensation Authority	238,080	36,000	-	36,000	274,080

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government					
		730,029	-	730,029	
Non-Budget					
D Grant payable to the Scottish Consolidated Fund	26,306,234	730,029	-	730,029	27,036,263
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					
		37,771	-	37,771	
Non-Budget					
B Grant payable to the Welsh Consolidated Fund	12,777,118	37,771	-	37,771	12,814,889
Total for Estimate:		1,042,684	45,560	997,124	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	589,819	258,945	848,764
Non-Operating A in A	15,900	-	15,900
Net cash requirement	48,182,143	1,241,508	49,423,651

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all								
422,505	6,448,288	3,688,636	10,559,429	1,149,692	9,409,737	847,898	15,900	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Policy, Corporate Services & Associated Offices							
208,698	325,819	-	534,517	45,775	488,742	42,725	-	
B	HM Courts Service							
17,633	1,498,550	-	1,516,183	676,206	839,977	179,121	15,900	
C	Office of the Public Guardian							
-	19,960	-	19,960	19,116	844	1,500	-	
D	Costs from Central Funds							
-	94,000	-	94,000	-	94,000	-	-	
E	Tribunals Service							
24,855	318,547	-	343,402	49,619	293,783	3,802	-	
F	Criminal Justice Reform							
47,322	133,525	-	180,847	10,500	170,347	16,310	-	
G	National Offender Management Service HQ							
123,997	227,809	-	351,806	-	351,806	-	-	
H	National Offender Management Service Operations							
-	3,830,078	-	3,830,078	348,476	3,481,602	604,440	-	
Non-Budget								
I	Legal Services Commission: Administration							
-	-	122,200	122,200	-	122,200	-	-	
J	Criminal Defence Service							
-	-	1,199,532	1,199,532	-	1,199,532	-	-	
K	Community Legal Service							
-	-	888,570	888,570	-	888,570	-	-	
L	Information Commissioner's Office							
-	-	5,500	5,500	-	5,500	-	-	
M	Judicial Appointments Commission							
-	-	7,810	7,810	-	7,810	-	-	
N	Parole Board							
-	-	9,800	9,800	-	9,800	-	-	
O	National Probation Services (local area boards)							
-	-	706,902	706,902	-	706,902	-	-	
P	Youth Justice Board							
-	-	455,670	455,670	-	455,670	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
Q	Criminal Injuries Compensation Authority	-	-	274,080	274,080	-	274,080	-	-
R	Criminal Cases Review Commission	-	-	6,860	6,860	-	6,860	-	-
S	Loan charges	-	-	2,100	2,100	-	2,100	-	-
T	Office of Legal Complaints	-	-	6,124	6,124	-	6,124	-	-
U	Legal Services Board	-	-	3,488	3,488	-	3,488	-	-
RfR 2: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government									
		8,724	300	27,036,263	27,045,287	1,600	27,043,687	100	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Scotland Office	4,703	-	-	4,703	500	4,203	100	-
B	Office of the Advocate General	4,021	-	-	4,021	1,100	2,921	-	-
C	Boundary Commission for Scotland	-	300	-	300	-	300	-	-
Non-Budget									
D	Grant payable to the Scottish Consolidated Fund	-	-	27,036,263	27,036,263	-	27,036,263	-	-
RfR 3: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales and ensuring the smooth working of the devolution settlement in Wales									
		7,432	60	12,814,889	12,822,381	9	12,822,372	766	-
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Wales Office	7,432	60	-	7,492	9	7,483	766	-
Non-Budget									
B	Grant payable to the Welsh Consolidated Fund	-	-	12,814,889	12,814,889	-	12,814,889	-	-
Total for Estimate:									
		438,661	6,448,648	43,539,788	50,427,097	1,151,301	49,275,796	848,764	15,900

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	48,278,672	997,124	49,275,796
Voted capital items			
Capital	589,819	258,945	848,764
Less Non-operating A-in-A	15,900	-	15,900
Total net voted capital	573,919	258,945	832,864
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-352,701	15,769	-336,932
Depreciation	-401,878	-10,645	-412,523
New provisions and adjustments to previous provisions	-68,918	-53,152	-122,070
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-8,560	8,577	17
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-1,963	-1,963
Use of provisions	161,609	26,853	188,462
Total accruals to cash adjustments	-670,448	-14,561	-685,009
Excess cash to be CFERd	-	-	-
Net Cash Requirement	48,182,143	1,241,508	49,423,651

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	421,373
RfR 2	7,124
RfR 3	7,423
Total Net Administration costs	435,920

Net Programme Costs

RfR 1	8,988,364
RfR 2	27,036,563
RfR 3	12,814,949
Non-voted	238,450
Total Net Programme costs	49,078,326

Total Net Operating Cost**49,514,246***of which:*

Net Resource Requirement	49,275,796
Non-voted expenditure	238,450
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**9,373,427**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	49,275,796
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	238,450
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	49,514,246
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-39,853,252
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-277,567
Unallocated resource provision	-
Other adjustments	-10,000
Resource Budget (Budget)	9,373,427
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,383,427
Annually Managed Expenditure (AME)	-10,000

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	832,864
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	35,670
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	868,534
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	868,534
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Administration	1,132
<i>of which:</i>	
Sale of goods and services	1,132
Programme	1,148,560
<i>of which:</i>	
Sale of goods and services	1,148,560
Total RfR 1	1,149,692†

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

Recoveries from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund in relation to the Tribunals Appeals Service. Fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries. Fees from nursery facilities and other fees; receipts from rents and receipts of premia on assignment of leases; service charges and site usage; recovery for magistrates' courts accommodation. Contributions paid by legally aided defendants in the higher courts.

Receipts of VAT refunds on contracted out services; Receipts in respect of judicial superannuation contributions and receipts from the Judicial Pensions supply estimate to fund administrative costs. Receipts from the European Commission; receipts from all Tribunals; receipts under the New Deal Scheme and receipts from Wider Markets Initiatives. Receipts from Royal Licences; recovery of costs relating to the Hunting Bill; receipts retained in accordance with the fine incentive scheme; receipts relating to the asset recovery incentive scheme.

Receipts in relation to the devolution Service Level Agreement; receipts in relation to by-election funding; receipts in relation to the use of DDJs as prison adjudicators. Receipts in relation to Legal Services Complaints Commission; receipts in relation to the Scottish CICAP remitted to the Tribunals service, receipts in relation to Claims Management Regulation; receipts in relation to Scotland Office secondees; receipts in relation to Data Protection enquiries.

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

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

Share of gross profits from prison shops and from services purchased by staff etc from the activities of prison industries and farms from the supply of inmate labour and from other goods and services. Receipts in relation to Probation Boards and Trusts income. Agricultural subsidies from advertisements in the Prison Service News and from the sale of waste, receipts from the Youth Justice Board and income arising from Machinery of Governments changes.

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

Administration	1,600
<i>of which:</i>	
Sale of goods and services	1,600

Total RfR 2	1,600†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of rent, payments from other departments for legal services and other receipts.

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

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

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

Total Operating A in A	1,151,301
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	15,900
<i>of which:</i>	
Sale of assets	15,900

Total RfR 1	15,900†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the disposal of land, buildings and surplus equipment.

Total Non-Operating A in A	15,900
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	208,766	-81,413	5,736,008	3,647,419	9,383,427
<i>of which: †</i>					
Administration budget	200	-	435,920	-	435,920
Near-cash in RDEL	169,315	-56,962	4,864,500	3,834,778	8,699,278
Capital DEL ††	258,945	-158,945	832,864	35,670	868,534
Less Depreciation †††	-10,645	-2,158	-412,523	-10,676	-423,199
Total DEL	457,066	-242,516	6,156,349	3,672,413	9,828,762

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,167,201

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

RfR/Section	Body	£'000
RfR1 - I	Legal Services Commission Administration♥	122,200
RfR1 - J	Criminal Defence Service♥	1,199,532
RfR1 - K	Community Legal Service♥	888,570
RfR1 - L	Information Commissioner♥	5,500
RfR1 - M	Judicial Appointments Commission♥	7,810
RfR1 - N	Parole Board♥	9,800
RfR1 - O	National Probation Service Local Area Boards♥	706,902
RfR1 - P	Youth Justice Board♥	455,670
RfR1 - Q	Criminal Justice Compensation Authority♥	274,080
RfR1 - R	Criminal Cases Review Commission♥	6,860
RfR1 - S	Loan Charges♥	2,100
RfR1 - T	Office of Legal Complaints♥	6,124
RfR1 - U	Legal Services Board♥	3,488

Notes to the Estimate (*continued*)

Contingent liabilities

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

United Kingdom Supreme Court

Introduction

1. This Supplementary Estimate is required to reflect an increase in debtors. There are no changes to net resource requirement or voted capital expenditure as a result of this Winter Supplementary Estimate.
2. As a result of the associated non- cash adjustments, there is an increase in the net cash requirement of £1,963,000.
3. Symbols are explained in the Introduction to this booklet.

United Kingdom Supreme Court

Part I

	£
Request for Resources 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.	-
Total additional net resource requirement	-
Additional net cash requirement	1,963,000

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

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

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Total for Estimate:		-	-	-	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	387	1,963	2,350

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: To support the efficient and effective administration of the UK Supreme Court and the provision of appropriate support to the Judicial Committee of the Privy Council.							
-	5,250	-	5,250	3,210	2,040	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	United Kingdom Supreme Court						
-	5,250	-	5,250	3,210	2,040	-	-
Total for Estimate:							
-	5,250	-	5,250	3,210	2,040	-	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2,040	-	2,040
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-535	-	-535
Depreciation	-1,101	-	-1,101
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-17	-	-17
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	1,963	1,963
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,653	1,963	310
Excess cash to be CFERd	-	-	-
Net Cash Requirement	387	1,963	2,350

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Programme Costs

RfR 1	2,040
Non-voted	1,850
Total Net Programme costs	3,890

Total Net Operating Cost**3,890***of which:*

Net Resource Requirement	2,040
Non-voted expenditure	1,850
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**3,890**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision
Net Resource Requirement (Estimates)	2,040
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	1,850
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	3,890
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	3,890
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,890
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

£'000

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

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

Programme	3,210
<i>of which:</i>	
Sale of goods and services	3,210
Other income (including receipts)	-

Total RfR 1	3,210†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: United Kingdom Supreme Court fees and a contribution from civil court fees charged by HM Courts Service.

Contributions from the devolved government in Scotland; from the Northern Ireland Court Service and from the Ministry of Justice to cover the support provided to the Judicial Committee of the Privy Council.

Receipts of VAT refunds on contracted out services; and receipts from Wider Market Initiatives.

Receipts in relation to data protection inquiries; recovery of staff costs for staff on loan or seconded to outside bodies, payments for information and publications, private telephone calls, vending machines, telex, postal and bank charge recoveries, receipts from shop sales, income arising from Machinery of Government changes and any other miscellaneous income.

Total Operating A in A	3,210
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	2,040	1,850	3,890
<i>of which:†</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	-	-	387	1,850	2,237
Capital DEL††	-	-	-	-	-
Less Depreciation†††	-	-	-1,101	-	-1,101
Total DEL	-	-	939	1,850	2,789

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	3,210

Northern Ireland Court Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
	<u>DEL Reserve claims</u>		
B3	To reflect the increase in the Northern Ireland Legal Services Commission baseline to cover the projected shortfall in Legal Aid expenditure.	20,000,000	
<u>Other changes</u>			
	<u>Resource transfers within the Request for Resources</u>		
A3 to A2	Transfer of resources from A3 Grants to Sundry Bodies to A2 Other Resources to reflect the correct classification of the expenditure.	25,000	-25,000
	<u>Transfers to/from non-voted spending</u>		
A2	Transfer of resources from voted A2 to non-voted to cover the shortfall in Judicial Salaries paid from the Consolidated Fund.		-2,534,000
	<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>		
A2 and A5	Increased income of £1,000,000 to reflect increase in civil fee business income. This will be offset against additional costs to dispose civil fee business. The appropriations-in-aid are classified as administrative income and thus the additional fee income will reduce the administrative cost limit by £1,000,000.	1,000,000	-1,000,000
<u>Totals</u>		21,025,000	-3,559,000
Total RfR 1		17,466,000	
Total change in resources for Estimate:		17,466,000	

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £17,466,000.

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

Northern Ireland Court Service

Part I

	£
Request for Resources 1: Supporting the effective and efficient administration of justice in Northern Ireland †	17,466,000
Total additional net resource requirement	17,466,000
Additional net cash requirement	17,466,000

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

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

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

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

† £20,000,000 has been advanced from the Contingencies Fund to provide cash in respect of £20,000,000 resources supporting the service provided for under subhead B3 of this Estimate. A corresponding cash amount is required to enable repayment to be made to the Fund.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland		18,466	1,000	17,466	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Court and other legal services	60,925	-1,534	1,000	-2,534	58,391
Non-Budget					
B Legal Services Commission	64,500	20,000	-	20,000	84,500
Total for Estimate:		18,466	1,000	17,466	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	6,000	-	6,000
Non-Operating A in A	-	-	-
Net cash requirement	115,085	17,466	132,551

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: Supporting the effective and efficient administration of justice in Northern Ireland							
26,426	56,965	86,100	169,491	25,000	144,491	6,000	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Court and other legal services						
26,426	56,965	-	83,391	25,000	58,391	6,000	-
Non-Budget							
B	Legal Services Commission						
-	-	84,500	84,500	-	84,500	-	-
C	Judicial Appointments Commission						
-	-	1,600	1,600	-	1,600	-	-
Total for Estimate:							
26,426	56,965	86,100	169,491	25,000	144,491	6,000	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	127,025	17,466	144,491
Voted capital items			
Capital	6,000	-	6,000
Less Non-operating A-in-A	-	-	-
Total net voted capital	6,000	-	6,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-6,984	-	-6,984
Depreciation	-10,694	-	-10,694
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-262	-	-262
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-17,940	-	-17,940
Excess cash to be CFERd	-	-	-
Net Cash Requirement	115,085	17,466	132,551

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	1,426
Total Net Administration costs	1,426

Net Programme Costs

RfR 1	143,065
Non-voted	7,700
Total Net Programme costs	150,765

Total Net Operating Cost**152,191***of which:*

Net Resource Requirement	144,491
Non-voted expenditure	7,700
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**152,691**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	144,491
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	7,700
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	152,191
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	500
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	152,691
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	152,691
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: David A Lavery, Director of the NICS

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

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

£'000

2009-10

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

Administration	25,000
<i>of which:</i>	
Sale of goods and services	25,000
Other income (including receipts)	-

Total RfR 1	25,000[†]
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[†] Amount that may be applied as operating appropriations in aid in addition to the net total arising from: court fees paid by litigants in civil proceedings, fine monies arising from the payment of certain conditional offer fixed penalty notices to cover project costs incurred by the Northern Ireland Court Service and Northern Ireland Office, administration fees paid in respect of funds in court, monies recovered in respect of third party claims, recoveries from the National Insurance Fund for the costs of the Office of the Social Security and Child Support Commissioners and other fees and receipts received.

Total Operating A in A	25,000
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL		
	Voted	Non-voted	Voted	Non-voted	Total	
Resource DEL	-2,534	22,534	58,391	94,300	152,691	
<i>of which: †</i>						
Administration budget	-1,000	-	1,426	-	1,426	
Near-cash in RDEL	-2,534	22,534	40,451	93,800	134,251	
Capital DEL ††	-	-	6,000	-	6,000	
Less Depreciation †††	-	-	-10,694	-441	-11,135	
Total DEL	-2,534	22,534	53,697	93,859	147,556	

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	25,000

Crown Prosecution Service

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Machinery of Government changes</u>		
B2	Increase in programme spending reallocating the provision of the Revenue and Customs Prosecutions Office as a result of the merger with the Crown Prosecution Service	40,172,000	
B5	Increase in operating appropriations in aid reallocating the provision of the Revenue and Customs Prosecutions Office as a result of the merger with the Crown Prosecution Service		-4,100,000
<u>Transfers of budgetary cover to/from other government departments</u>			
B2	Transfer in programme spending from the Ministry of Justice of £8,123,000 consisting of:		
	(i) to help fund the Compass Case Management System (CMS)	4,300,000	
	(ii) from the Victim Surcharge collections	2,600,000	
	(iii) to provide support for the Local Criminal Justice Boards	806,000	
	(iv) to help fund the prosecution of new offences introduced in the Road Safety Act 2006	417,000	
B2	Transfer in programme spending from the Home Office to help fund the delivery of the Violent Crime Reduction Act 2006	148,000	
<u>Other changes in DEL spending</u>			
B2	Movement from voted to non-voted spending of unitary charges relating to PFI contracts newly categorised as assets following the adoption of International Financial Reporting Standards		-5,045,000

Other changes

	<u>Increases in non-budget spending</u>	
Subhead C2	Non-budget resource implications resulting from the introduction of International Financial Reporting Standards of £5,697,000 consisting: of:	
	(i) Interest charges, service charges and non-cash depreciation charges relating to PFI contracts newly categorised as assets	5,045,000
	(ii) non-cash revaluation costs relating to PFI contracts newly categorised as assets	391,000
	(iii) non-cash cost of capital charges relating to PFI contracts newly categorised as assets	261,000
	<u>Totals</u>	54,140,000 -9,145,000
<u>Total RfR 1</u>		44,995,000
<u>Total change in resources for Estimate:</u>		44,995,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £44,343,000.
3. Symbols are explained in the Introduction to this booklet.

Crown Prosecution Service

Part I

	£
Request for Resources 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.†	44,995,000
Total additional net resource requirement	44,995,000
Additional net cash requirement†	44,343,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Crown Prosecution Service on:

RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.

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

The **Crown Prosecution Service** will account for this Estimate.

†As announced on 3 April 2009, the Revenue and Customs Prosecutions Office and associated support functions are transferred to the Crown Prosecution Service. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is increased by £36,072,000;
- b) the operating appropriations in aid are increased by £4,100,000; and
- c) the net cash requirement is increased by £36,072,000.

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: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.					
		49,095	4,100	44,995	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
B Crown Prosecutions and Legal Services	583,002	43,398	4,100	39,298	622,300
Non-Budget					
C IFRS Adjustments*	-	5,697	-	5,697	5,697
Total for Estimate:		49,095	4,100	44,995	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	5,200	-	5,200
Non-Operating A in A	-	-	-
Net cash requirement	636,453	44,343	680,796

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

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A	
1	2	3	4	5	6		7	8	
RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.									
56,693	689,397	-	746,090	63,100	682,990		5,200	-	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration costs on HQ and Central Services								
56,693	-	-	56,693	1,700	54,993		-	-	
B	Crown Prosecutions and Legal Services								
-	683,700	-	683,700	61,400	622,300		5,200	-	
Non-Budget									
C	IFRS Adjustments								
-	5,697	-	5,697	-	5,697		-	-	
Total for Estimate:									
56,693	689,397	-	746,090	63,100	682,990		5,200	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	637,995	44,995	682,990
Voted capital items			
Capital	5,200	-	5,200
Less Non-operating A-in-A	-	-	-
Total net voted capital	5,200	-	5,200
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,512	-261	-2,773
Depreciation	-5,056	-4,460	-9,516
New provisions and adjustments to previous provisions	-745	-	-745
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-102	-	-102
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	4,069	4,069
Use of provisions	1,673	-	1,673
Total accruals to cash adjustments	-6,742	-652	-7,394
Excess cash to be CFERd	-	-	-
Net Cash Requirement	636,453	44,343	680,796

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

54,993

Total Net Administration costs

54,993**Net Programme Costs**

RfR 1

627,997

Non-voted

-

Total Net Programme costs

627,997**Total Net Operating Cost****682,990***of which:*

Net Resource Requirement

682,990

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget**688,191**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	682,990
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	682,990
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-5,697
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	5,853
Other adjustments	5,045
Resource Budget (Budget)	688,191
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	688,191
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Keir Starmer QC, Permanent Head of Department

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

With the agreement of the HM Treasury, the Permanent Head of Department appoints the Chief Executive as Additional Accounting Officer. Peter Lewis, Chief Executive, holds the appointment of Additional Accounting Officer for Resources within this Estimate.

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

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

£'000

2009-10

RfR 1: To bring offenders to justice, recover proceeds of crime, improve services to victims and witnesses and promote confidence by firm and fair decision making and presentation of cases in court.

Administration	1,700
<i>of which:</i>	
Sale of goods and services	1,700
Programme	61,400
<i>of which:</i>	
Sale of goods and services	61,400

Total RfR 1	63,100†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income in respect of letting, disposal, vacation or occupation of property or accommodation; shared services; recoveries in respect of the Recovered Assets Incentivisation Fund; receipts in respect of Victim Surcharge collections; receipts from the European Commission; costs awarded to CPS in court; income from Local Criminal Justice Boards; refund of costs for seconded staff; funding from the Access to Work Scheme and the New Deal programmes; receipts for Prosecution College Licences; and recoveries of costs from other government departments for joint working arrangements.

Total Operating A in A	63,100
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000				
	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	39,298	5,045	677,293	10,898	688,191
<i>of which: †</i>					
Administration budget	-	-	54,993	-	54,993
Near-cash in RDEL	39,298	5,045	668,878	12,571	681,449
Capital DEL ††	-	-	5,200	-	5,200
Less Depreciation †††	-	-	-5,056	-	-5,056
Total DEL	39,298	5,045	677,437	10,898	688,335

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

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

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

Cash which may be retained to offset expenditure

	£'000
	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	63,100

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Crown Prosecution Service is adopting International Financial Reporting Standards for the first time in 2009-10. IFRIC 12, the IFRS standard that addresses PFI service concessions, results in elements of the CPS IT and Telephony PFI contracts coming on to the balance sheet in resource accounting and estimates terms. The contract costs are now reflected in terms of service charges, interest charges, depreciation charges on the newly categorised assets and repayment of leases. The newly categorised assets also attract additional non-cash revaluation and cost of capital charges due to the new accounting treatment. Budgets however, are based on the ESA95 rules and the contracts remain off balance sheet and unchanged in budgeting terms.

Under IAS 19 accrued employee benefits must be shown on the balance sheet. Net changes in the position of accrued employee benefits will now be recognised in resource accounts, estimates and budgets.

Revenue and Customs Prosecutions Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A2, A3	Reduction in other current resources, near-cash spending, to implement a reallocation of provision as part of a machinery of government transfer between Revenue and Customs Prosecutions Office and the Crown Prosecution Service.		-40,172,000
A5	Reduction in operating appropriations in aid, to implement a reallocation of provision as part of a machinery of government transfer between Revenue and Customs Prosecutions Office and the Crown Prosecution Service.	4,100,000	
<u>Totals</u>		4,100,000	-40,172,000
<u>Total RfR 1</u>			<u>-36,072,000</u>
<u>Total change in resources for Estimate:</u>			<u>-36,072,000</u>

2. As a result of the above and associated non- cash adjustments, there is a decrease in the net cash requirement of £36,072,000.
3. Symbols are explained in the Introduction to this booklet.

Revenue and Customs Prosecutions Office

Part I

	£
Request for Resources 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors†	-36,072,000
Total additional net resource requirement	-36,072,000
Additional net cash requirement†	-36,072,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Revenue and Customs Prosecutions Office on:

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

Administration and legal costs of prosecuting cases by the Revenue and Customs Prosecutions Office and associated non-cash items.

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

†As announced on 3 April 2009, the Revenue and Customs Prosecutions Office and associated support functions are transferred to the Crown Prosecution Service. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement is decreased by £36,072,000;
- b) the operating appropriations in aid are decreased by £4,100,000; and
- c) the net cash requirement is decreased by £36,072,000.

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		-40,172	-4,100	-36,072	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	36,072	-40,172	-4,100	-36,072	-
Total for Estimate:		-40,172	-4,100	-36,072	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	36,072	-36,072	-

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: The effective and efficient prosecution of cases in accordance with the Code for Crown Prosecutors							
-	-	-	-	-	-	-	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration	-	-	-	-	-	-	-
Total for Estimate:							
-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	36,072	-36,072	-
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-	-	-
Excess cash to be CFERd	-	-	-
Net Cash Requirement	36,072	-36,072	-

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000**2009-10
Provision**

Total Net Operating Cost	-
<i>of which:</i>	
Net Resource Requirement	-
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	-

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

2009-10
Provision

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

Reconciliation of capital expenditure between Estimates and Budgets

£'000

2009-10
Provision

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities†

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: David Green, QC

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

† Responsibility for RfR1 is transferred to the Crown Prosecution Service (CPS) and will be accounted for by the CPS Accounting Officer.

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

£'000

2009-10

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

Programme	-
<i>of which:</i>	
Sale of goods and services	-
Other income (including receipts)	-
<hr/> Total RfR 1	<hr/> -
<hr/> Total Operating A in A	<hr/> -

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-36,072	-	-	-	-
<i>of which: †</i>					
Administration budget	-	-	-	-	-
Near-cash in RDEL	-36,072	-	-	-	-
Capital DEL ††	-	-	-	-	-
Less Depreciation †††	-	-	-	-	-
Total DEL	-36,072	-	-	-	-

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

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

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

Cash which may be retained to offset expenditure

£'000

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

Ministry of Defence

Introduction

1 This Supplementary Estimate is required for the following purposes:

Amount (£)
Increases Reductions

Changes in Resources

RfR 1: Provision of Defence Capability

Section Reason for Change

Changes related to movements in budgets

Take up of DEL End-Year Flexibility

B2	1. To draw down £20,000,000 in Resource DEL from our 2008-09 EYF Stock to reflect the Government decision to negate the impact of the planned MOD training costs budget reduction for the Territorial Army (Sub Head: Land)	20,000,000
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Transfer from Capital Spending (SUME) to Resource

F2	1. To transfer £100,000,000 Capital Resource to Direct Resource within RfR1 (Sub Head:DE &S), relating to Single Use Military Equipment (SUME) flexibility.	100,000,000
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Transfers of Budgetary cover in from other Government Departments

L2	1. To effect a resource budget transfer in from the Department for Transport in respect of funding arrangements for the Royal Flight (Sub Head: Air Command).	500,000
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Transfers of Budgetary cover out to other Government Departments

D2	1. To effect a resource budget transfer out to the Foreign & Commonwealth Office (FCO) in respect of the MOD's contribution to the Afghanistan Delivery Group (Sub Head:Centre TLB).	-6,500,000
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D2	2. To effect a resource budget transfer out to the Department for International Development (DfID) respect of the MOD's contribution to the tri-Department Stabilisation Unit (Sub Head:Centre TLB).	-500,000
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Other changes in DEL spending

E2, E5	1. To reflect the net resource impact of the introduction of IFRS trigger point 3 for leases (IAS17) being a charge of £261,000,000 in non cash, and a credit of £39,000 in near cash for Annington Homes (Sub Head:Defence Estates)	222,000,000	
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Changes in Annually Managed Expenditure (AME)

O2	1. To reflect the additional estimated Annually Managed Expenditure impact of the FRS 26 Financial Instruments on the forward Purchase Contract Derivative impairments debit of £650,000,000 (Sub Head: DE & S).	650,000,000	
O2	2. To reflect the net resource impact of the introduction of IFRS trigger point 3 for provisions (IAS 37) being a charge of £5,000,000 (Sub Head: DE & S).	5,000,000	
N2	3. To reflect the net resource impact of the introduction of IFRS trigger point 3 for employee benefits (IAS 19) being a charge of £35,000,000 (Sub Head:Centre TLB).	35,000,000	

Other changesResource transfers within the Request for Resources with no overall impact on Resource

E2,T3	1. To increase Grants in Aid funding for:	31,700,000	-31,700,000
B2,S3	The Reserve Forces & Cadets Association (RFCA) (Sub Head:Defence Estates and Land)		
B2,S3	The National Army Museum (Sub Head:Land)	180,000	-180,000
B2,S3	Royal Hospital, Chelsea (Sub Head:Land)	1,100,000	-1,100,000
A to L	2. To revise sub-head provisions (Sections A to L) to reflect revisions in allocations between Top Level Budget Holders to match required defence outputs, with no overall impact on RDEL.		

Totals

1,065,480,000 -39,980,000

Total RfR 11,025,500,000**RfR 2: Operations and Peace-Keeping**Section Reason for ChangeChanges related to movements in budgetsTransfers of Budgetary cover out to other government departments

A2	1. To reflect a resource budgetary transfer to the	6,729,000	-6,729,000
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Department for International Development (DfID)
being the MOD's contribution to the Conflict Pool
(Sub Head: Programme Rest of the World).

Other changes

Resource transfers within the Request for Resources

A2,C2	1. To re-allocate the Stabilisation Aid Fund (SAF) sub head provision to the Global Pools.	45,000,000	-45,000,000
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Token increase

A2	1. Token increase to net DEL (Sub Head: Programme rest of the World)	1,000	
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<u>Totals</u>		51,730,000	-51,729,000
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<u>Total RfR 2</u>			1,000
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<u>Total Change in Resources for Estimate:</u>			1,025,501,000
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Changes in Capital

Section Reason for Change

RfR 1: Provision of Defence Capability

Changes related to movements in budgets

Transfer from Capital Spending (SUME) to Resource

F7	1. To transfer £100,000,000 Capital Resource to Direct Resource within RfR1 (Sub Head: DE & S) , relating to Single Use Military Equipment (SUME) flexibility.		-100,000,000
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Other changes in DEL spending

F7	1. To reflect the abatement of the MOD 2008-09 Treasury fine, which resulted from a smaller overspend than originally forecasted (Sub Head: DE & S).	17,000,000	
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E7	2. To reflect Treasury Fiscal Capital relief for lower capital receipts in Northern Ireland than planned (Sub Head: Defence Estates).	15,000,000	
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E7	3. To reflect the net resource impact of the introduction of IFRS trigger point 3 for leases (IAS17) being a credit on £3,000,000 in near cash for Annington Homes (Sub Head: Defence Estates).		-3,000,000
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<u>Totals</u>		32,000,000	-103,000,000
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Total RfR 1	-71,000,000
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Total Changes in Capital for Estimate:	-71,000,000
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2 As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £38,501,000.

3 Symbols are explained in the Introduction to this booklet.

Ministry of Defence

Part I

	£
Request for Resources 1: Provision of defence capability	1,025,500,000
Request for Resources 2: Operations and Peace-Keeping	1,000
Total additional net resource requirement	1,025,501,000
Additional net cash requirement	38,501,000

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

RfR 1: Provision of defence capability

Personnel costs of the Armed Forces and their reserves and cadet forces and personnel costs of Defence Ministers and of civilian staff employed by the Ministry of Defence; movements; charter of ships; logistic services for the Armed Forces; repair, maintenance, stores and supply services; associated capital facilities and works; contractors' redundancy cost; plant and machinery; nuclear warhead and fissile material programme; procurement, including development and production of equipment and weapon systems for the Armed Forces; purchases for sale abroad; research etc by contract; sundry procurement services including those on repayment terms;

land and buildings works services; contingent liabilities; services provided by other Government departments; sundry services, subscriptions, grants and other payments including those abroad such as assistance to Foreign and Commonwealth Governments for defence related purposes and UK youth community projects; set-up costs and loans to, and income from, Trading Funds; and other associated non-cash items.

RfR 2: Operations and Peace-Keeping

The net additional costs for current operations (near cash resource, non-cash resource and capital) in Iraq and Afghanistan. The net additional (programme) costs for early warning, crisis management, conflict resolution/peace-making, peace-keeping and peace-building activities in other parts of the World. The net additional costs of associated strengthening of international regional systems; capacity-building; and stabilisation activity in Iraq and Afghanistan.

RfR 3: War Pensions and Allowances, etc

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

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

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Provision of defence capability		1,022,500	-3,000	1,025,500	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Navy Command	2,197,754	23,568	-	23,568	2,221,322
B Land Forces	6,896,949	80,275	-	80,275	6,977,224
C Chief of Joint Operations	464,046	16,361	-	16,361	480,407
D Central	1,927,128	-140,411	-	-140,411	1,786,717
E Defence Estates	2,626,029	306,266	-3,000	309,266	2,935,295
F Defence Equipment and Support	15,787,390	111,918	-	111,918	15,899,308
G Science Innovation Technology	517,844	-55,647	-	-55,647	462,197
L Air Command	2,864,750	-42,810	-	-42,810	2,821,940
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
N Central	1	35,000	-	35,000	35,001
O Defence Equipment and Support	27,544	655,000	-	655,000	682,544
Non-Budget					
S Land Forces	78,801	4,943	-	4,943	83,744
T Defence Estates	3,406	28,037	-	28,037	31,443
RfR 2: Operations and Peace-Keeping		1	-	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					

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
A Programme Rest of the World	20,000	45,001	-	45,001	65,001
C Stabilisation Aid Fund	45,000	-45,000	-	-45,000	-
Total for Estimate:		1,022,501	-3,000	1,025,501	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	9,483,917	-71,000	9,412,917
Non-Operating A in A	305,150	-	305,150
Net cash requirement	37,746,164	38,501	37,784,665

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
RfR 1: Provision of defence capability		2,237,737	35,580,757	312,115	38,130,609	1,272,294	36,858,315	7,848,277	305,150
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Navy Command	-	2,264,885	7	2,264,892	43,570	2,221,322	19,122	-
B	Land Forces	-	7,093,761	3,525	7,097,286	120,062	6,977,224	256,955	-
C	Chief of Joint Operations	-	506,174	16	506,190	25,783	480,407	93,079	-
D	Central	-	1,912,158	130,927	2,043,085	256,368	1,786,717	-86,605	-
E	Defence Estates	-	3,307,611	-	3,307,611	372,316	2,935,295	486,647	264,901
F	Defence Equipment and Support	-	16,163,711	3,598	16,167,309	268,001	15,899,308	6,909,429	32,099
G	Science Innovation Technology	-	458,055	4,142	462,197	-	462,197	500	-
H	Loans and Grants to and Repayments from the Hydrographic Office	-	-	-	-	-	-	-	496
I	Loans and Grants to and Repayments from ABRO	-	-	-	-	-	-	-	1,664
J	Loans and Grants to and Repayments from DSTL	-	-	-	-	-	-	10,700	-
K	Loans and Grants to and Repayments from Met Office	-	-	-	-	-	-	4,379	5,990
L	Air Command	-	3,007,741	393	3,008,134	186,194	2,821,940	95,093	-
M	Ministry of Defence Administration Costs	2,237,737	-	-	2,237,737	-	2,237,737	-	-
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
N	Central	-	35,001	-	35,001	-	35,001	-	-
O	Defence Equipment and Support	-	682,544	-	682,544	-	682,544	-	-
P	Defence Estates AME	-	-	-	-	-	-	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital						
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A						
1	2	3	4	5	6	7	8						
-	145,710	-	145,710	-	145,710	56,837	-						
Non-Budget													
Q	Navy Command	-	-	11,889	11,889	-	11,889	-	-				
R	Central	-	-	37,288	37,288	-	37,288	-	-				
S	Land Forces	-	-	83,744	83,744	-	83,744	-	-				
T	Defence Estates	-	3,406	28,037	31,443	-	31,443	2,141	-				
U	Air Command	-	-	8,549	8,549	-	8,549	-	-				
RfR 2: Operations and Peace-Keeping		-	2,883,749	-	2,883,749	11,659	2,872,090	1,564,640	-				
Spending in Departmental Expenditure Limits (DEL)													
<i>Central Government spending</i>													
A	Programme Rest of the World	-	65,001	-	65,001	-	65,001	-	-				
B	Peace Keeping Rest Of The World	-	2,818,748	-	2,818,748	11,659	2,807,089	1,564,640	-				
C	Stabilisation Aid Fund	-	-	-	-	-	-	-	-				
RfR 3: War Pensions and Allowances, etc		-	-418	1,024,124	1,023,706	-	1,023,706	-	-				
Spending in Annually Managed Expenditure (AME)													
<i>Central Government spending</i>													
A	War Pensions Benefits Programme costs	-	-418	1,023,624	1,023,206	-	1,023,206	-	-				
B	War Pensions Benefits Programme costs - Far Eastern Prisoners of War	-	-	500	500	-	500	-	-				
Total for Estimate:						2,237,737	38,464,088	1,336,239	42,038,064	1,283,953	40,754,111	9,412,917	305,150

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	39,728,610	1,025,501	40,754,111
Voted capital items			
Capital	9,483,917	-71,000	9,412,917
Less Non-operating A-in-A	305,150	-	305,150
Total net voted capital	9,178,767	-71,000	9,107,767
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-3,522,832	-180,000	-3,702,832
Depreciation	-8,423,729	-736,000	-9,159,729
New provisions and adjustments to previous provisions	-202,528	-	-202,528
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	473,818	-	473,818
Increase (+) / Decrease (-) in debtors	356,252	-	356,252
Increase (-) / Decrease (+) in creditors	-102,056	-	-102,056
Use of provisions	259,862	-	259,862
Total accruals to cash adjustments	-11,161,213	-916,000	-12,077,213
Excess cash to be CFERd	-	-	-
Net Cash Requirement	37,746,164	38,501	37,784,665

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	2,237,737
RfR 2	-
RfR 3	-
Total Net Administration costs	2,237,737

Net Programme Costs

RfR 1	34,620,578
RfR 2	2,865,361
RfR 3	1,023,706
Non-voted	-
Total Net Programme costs	38,509,645

Total Net Operating Cost**40,747,382***of which:*

Net Resource Requirement	40,754,111
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-6,729

Resource Budget**40,749,052**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	40,754,111
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-6,729
Other adjustments	-
Net Operating Cost (Accounts)	40,747,382
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-4,306
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	5,976
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	40,749,052
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	38,910,953
Annually Managed Expenditure (AME)	1,838,099

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	9,107,767
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	851
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-2,141
Capital Budget (Budget)	9,106,477
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	9,049,640
Annually Managed Expenditure (AME)	56,837

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Bill Jeffrey, Permanent Head of Department

Request for Resources 2: Sir Bill Jeffrey, Permanent Head of Department

Request for Resources 3: Sir Bill Jeffrey, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Provision of defence capability

Programme	1,272,294
<i>of which:</i>	
Sale of goods and services	1,244,444
Interest and dividends	27,850
Other income (including receipts)	-
Total RfR 1	1,272,294†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income from fees and income from charges.

RfR 2: Operations and Peace-Keeping

Programme	11,659
<i>of which:</i>	
Sale of goods and services	11,659
Other income (including receipts)	-
Total RfR 2	11,659†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of medical goods and food.

Total Operating A in A	1,283,953
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Provision of defence capability

Programme	305,150
<i>of which:</i>	
Sale of assets	297,000
Loan, etc, repayments	8,150
Other income (including receipts)	-
Total RfR 1	305,150†

† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets, including land and buildings and repayment of loans from the Trading Funds.

Total Non-Operating A in A	305,150
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	295,792	32,980	38,687,508	223,445	38,910,953
<i>of which:†</i>					
Administration budget	-	-	2,237,737	-	2,237,737
Near-cash in RDEL	34,792	32,980	26,371,391	424,925	26,796,316
Capital DEL††	-71,000	-	9,048,789	851	9,049,640
Less Depreciation†††	-81,000	-	-8,354,962	-9,520	-8,364,482
Total DEL	143,792	32,980	39,381,335	214,776	39,596,111

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,589,103

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 D	The Royal British Legion	221
RfR1 D	The Scott Polar Institute	35
RfR1 L	RAF Sports Control Board	155
RfR3 B	Cost of awards to surviving members of British groups held prisoner by the Japanese during the Second World War (Far Eastern Prisoners of War) or their surviving spouse.	500

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have fully adopted IFRS since the last publication of our Main Supply Estimate, and these standards take effect from 1 April 2009. The adoption of IFRS has led to some alterations in MoD's budgets, as set out in the Introduction.

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

RfR/Section	Body	£'000
RfR1 Q	Navy and Maritime museums ♥	3,083
RfR1 S	National Army Museum ♥	5,518
RfR1 S	Royal Hospital, Chelsea ♥	10,824
RfR1 U	Royal Air Force Museum ♥	7,367
RfR1 D	Commonwealth War Graves Commission ♦	36,388
RfR1 Q,S,T,U	Council of Reserve Forces Association	115,466

Armed Forces retired pay, pensions etc

Introduction

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

	Amount (£)	
	<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>		

RfR 1: Armed Forces retired pay, pensions etc

Section Reason for Change

Changes related to movements in budgets

	<u>Changes in operating appropriations in aid</u>		
A3	To reflect an increase in the current income forecast, offset with a corresponding increase in the current forecast of pension payments.	50,001,000	-50,000,000
	<u>Totals</u>	50,001,000	-50,000,000

Total RfR 1	1,000
Total change in resources for Estimate:	1,000

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

Armed Forces retired pay, pensions etc

Part I

	£
Request for Resources 1: Armed Forces retired pay, pensions etc	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Armed Forces retired pay, pensions etc on:

RfR 1: Armed Forces retired pay, pensions etc

Payment of retired pay, pensions and lump sum benefits and associated non-cash items to persons covered by the scheme.

The **Armed Forces retired pay, pensions etc** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Armed Forces retired pay, pensions etc		50,001	50,000	1	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Retired pay, pensions and other payments to service personnel and their dependants	5,700,315	50,001	50,000	1	5,700,316
Total for Estimate:		50,001	50,000	1	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	1,996,079	1	1,996,080

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: Armed Forces retired pay, pensions etc							
-	-	7,402,524	7,402,524	1,702,208	5,700,316	-	-
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
A	Retired pay, pensions and other payments to service personnel and their dependants						
-	-	7,402,524	7,402,524	1,702,208	5,700,316	-	-
Total for Estimate:							
-	-	7,402,524	7,402,524	1,702,208	5,700,316	-	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,700,315	1	5,700,316
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-7,352,523	-50,001	-7,402,524
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	412	50,001	50,413
Increase (-) / Decrease (+) in creditors	-27,670	-	-27,670
Use of provisions	3,675,545	-	3,675,545
Total accruals to cash adjustments	-3,704,236	-	-3,704,236
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,996,079	1	1,996,080

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Combined Revenue Account

£'000

**2009-10
Provision**

Net Programme Costs

RfR 1	5,700,316
<i>of which:</i>	
Income	
Contributions received	1,700,519
Transfers in	1,689
Other income receivable	-
Total Income	<u>1,702,208</u>
Expenditure	
Increase in liability	2,035,204
Interest on scheme liability	5,367,320
Other expenditure	-
Total Expenditure	<u>7,402,524</u>
Non-voted	-
Total Net Programme costs	<u>5,700,316</u>
Total Net Operating Cost	5,700,316
<i>of which:</i>	
Net Resource Requirement	5,700,316
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	5,700,316

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

2009-10
Provision

Net Resource Requirement (Estimates)	5,700,316
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	5,700,316
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	5,700,316
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	5,700,316

Reconciliation of capital expenditure between Estimates and Budgets

£'000

2009-10
Provision

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Bill Jeffrey, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

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

£'000

2009-10
RfR 1: Armed Forces retired pay, pensions etc

Programme	1,702,208
<i>of which:</i>	
Pension scheme related income	1,702,208
Other income (including receipts)	-
Total RfR 1	1,702,208†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: accruing superannuation liability charges and pension enhancements and transfers into the Armed Forces Pension Scheme (AFPS).</i>	
Total Operating A in A	1,702,208

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

£'000**Revised**

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

1,702,208

Foreign and Commonwealth Office

Introduction

This Supplementary Estimate is required for the following purposes:

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End-Year Flexibility</u>			
A1, A2	An increase of £2,000,000 administration costs and £11,000,000 other current costs in respect of FCO Capital charges (non-cash).	13,000,000	
<u>DEL Reserve claims</u>			
A2	A claim on the Resource DEL Reserve of £8,000,000 other current in respect of modernisation of the FCO Corporate Services.	8,000,000	
<u>Transfers of budgetary cover from other government departments</u>			
A2	Transfer of £6,000,000 other current from DfID in respect of the Returns and Reintegration Fund.	6,000,000	
<u>Transfers of budgetary cover to other government departments</u>			
A2	Transfer of £500,000 other current to DfID in respect of the Stabilisation Unit.		-500,000
<u>Take up of Departmental Unallocated Provision (DUP)</u>			
A1	Take-up of £17,000,000 administration costs Departmental Unallocated Provision (DUP) in respect of adverse currency fluctuations.	17,000,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
F2	An increase of £2,735,000 other current AME expenditure in respect of the impact of the adoption of International Financial Reporting Standards (IFRS) on FCO staff costs for accrued annual leave.	2,735,000	
<u>Other changes in DEL spending</u>			
A1, A2	An increase of £4,500,000 administration costs and £22,500,000 other current costs in respect of the impact of the adoption of International Financial Reporting Standards (IFRS) on FCO Capital charges (non-cash).	27,000,000	
<u>Totals</u>		73,735,000	-500,000
Total RfR 1		73,235,000	

RfR 2: Conflict preventionSection Reason for Change**Changes related to movements in budgets**DEL Reserve claims

B3	A claim on the Resource DEL Reserve of £3,430,000 grants in respect of take-up of balance of Peacekeeping funds.	3,430,000	
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Transfers of budgetary cover from other government departments

A3	Transfer of £15,465,000 grants from DfID in respect of Stabilisation and Conflict Prevention.	15,465,000	
----	---	------------	--

C3	Transfer of £14,000,000 grants from MoD in respect of Stabilisation and Conflict Prevention.	14,000,000	
----	--	------------	--

C3	Transfer of £11,500,000 grants from DfID in respect of the Helmand uplift for Stabilisation and Conflict Prevention.	11,500,000	
----	--	------------	--

C3	Transfer of £6,500,000 grants from MoD in respect of the Helmand uplift for Stabilisation and Conflict Prevention.	6,500,000	
----	--	-----------	--

A3	Transfer of £1,500,000 grants from DfID in respect of Stabilisation and Conflict Prevention in Sri Lanka.	1,500,000	
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Transfers of budgetary cover to other government departments

A3	Transfer of £1,150,000 grants to the Security and Intelligence Agencies in respect of expansion and capability.		-1,150,000
----	---	--	------------

Totals

		52,395,000	-1,150,000
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Total RfR 2

			51,245,000
--	--	--	-------------------

Total change in resources for Estimate:

			124,480,000
--	--	--	--------------------

Changes in capital**Section Reason for Change****RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community****Changes related to movements in budgets****Transfers of budgetary cover from other government departments**

A7	Transfer of £250,000 capital from DfID in respect of New Delhi shared accommodation.	250,000
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Totals

250,000	-
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Total RfR 1**250,000****Total changes in capital for Estimate:****250,000**

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £84,730,000
3. Symbols are explained in the Introduction to this booklet.

Foreign and Commonwealth Office

Part I

	£
Request for Resources 1: Promoting internationally the interests of the UK and contributing to a strong world community	73,235,000
Request for Resources 2: Conflict prevention	51,245,000
Total additional net resource requirement	124,480,000
Additional net cash requirement	84,730,000

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

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

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

RfR 2: Conflict prevention

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

The **Foreign and Commonwealth Office** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community		73,235	-	73,235	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration, programmes and international organisations subscriptions.	1,179,382	70,500	-	70,500	1,249,882
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
F Administration, programmes and international organisations subscriptions	20,000	2,735	-	2,735	22,735
RfR 2: Conflict prevention		51,245	-	51,245	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Conflict Prevention Programme expenditure	40,000	15,815	-	15,815	55,815
B Peacekeeping	350,000	3,430	-	3,430	353,430
C Stabilisation Aid Fund	28,000	32,000	-	32,000	60,000
Total for Estimate:		124,480	-	124,480	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	172,760	250	173,010
Non-Operating A in A	18,000	-	18,000
Net cash requirement	2,085,894	84,730	2,170,624

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community								
506,845	1,348,278	290,300	2,145,423	382,000	1,763,423	173,010	18,000	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Administration, programmes and international organisations subscriptions.							
506,845	891,537	233,500	1,631,882	382,000	1,249,882	173,010	18,000	
B	BBC World Service Broadcasting							
-	241,043	-	241,043	-	241,043	-	-	
C	British Council							
-	192,963	-	192,963	-	192,963	-	-	
D	BBC World Service - Capital grant							
-	-	31,000	31,000	-	31,000	-	-	
E	British Council - Capital grant							
-	-	7,800	7,800	-	7,800	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
F	Administration, programmes and international organisations subscriptions							
-	22,735	-	22,735	-	22,735	-	-	
Non-Budget								
G	Reimbursement of certain duties taxes and licence fees							
-	-	18,000	18,000	-	18,000	-	-	
RfR 2: Conflict prevention								
-	-	469,245	469,245	-	469,245	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Conflict Prevention Programme expenditure							
-	-	55,815	55,815	-	55,815	-	-	
B	Peacekeeping							
-	-	353,430	353,430	-	353,430	-	-	
C	Stabilisation Aid Fund							
-	-	60,000	60,000	-	60,000	-	-	
Total for Estimate:								
506,845	1,348,278	759,545	2,614,668	382,000	2,232,668	173,010	18,000	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2,108,188	124,480	2,232,668
Voted capital items			
Capital	172,760	250	173,010
Less Non-operating A-in-A	18,000	-	18,000
Total net voted capital	154,760	250	155,010
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-54,004	-40,000	-94,004
Depreciation	-123,050	-	-123,050
New provisions and adjustments to previous provisions	-13,000	-	-13,000
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	13,000	-	13,000
Total accruals to cash adjustments	-177,054	-40,000	-217,054
Excess cash to be CFERd	-	-	-
Net Cash Requirement	2,085,894	84,730	2,170,624

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	426,845
RfR 2	-

Total Net Administration costs	426,845
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Net Programme Costs

RfR 1	1,336,578
RfR 2	469,245
Non-voted	-6,000

Total Net Programme costs	1,799,823
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Total Net Operating Cost**2,226,668***of which:*

Net Resource Requirement	2,232,668
Non-voted expenditure	3,000
Consolidated Fund Extra Receipts	-9,000

Reduction in planned spend unable to be included in Estimate	-
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Resource Budget**2,156,368**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	2,232,668
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	3,000
Consolidated Fund Extra Receipts in the OCS	-9,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	2,226,668
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-61,300
European Union income related to capital grants	-
Voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	9,000
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	2,156,368
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,133,633
Annually Managed Expenditure (AME)	22,735

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	155,010
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	61,300
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	216,310
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	216,310
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Peter Ricketts, Permanent Head of the Department

Request for Resources 2: Peter Ricketts, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	
Administration	80,000
<i>of which:</i>	
Sale of goods and services	80,000
Other income (including receipts)	-
Programme	302,000
<i>of which:</i>	
Sale of goods and services	302,000
Other income (including receipts)	-
Total RfR 1	382,000†
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments including DfID and MoD for the Special Representative on Conflict Resolution, receipts for visa, passport and other services provided at consular offices;</p> <p>Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; interest and dividends from Public Corporations; receipts from Sales into Wider Markets.</p>	
Total Operating A in A	382,000

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

	£'000
	2009-10
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	
Programme	18,000
<i>of which:</i>	
Sale of assets	18,000
Other income (including receipts)	-
Total RfR 1	18,000†
<p>† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of land and buildings, receipts from the sale of official vehicles, repayment of loans to FCO services and receipts realised by the British Council.</p>	
Total Non-Operating A in A	18,000

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	121,745	-17,000	2,130,633	3,000	2,133,633
<i>of which: †</i>					
Administration budget	23,500	-17,000	426,845	-	426,845
Near-cash in RDEL	81,745	-17,000	1,920,579	16,000	1,936,579
Capital DEL ††	250	-	216,310	-	216,310
Less Depreciation †††	-	-	-103,050	-	-103,050
Total DEL	121,995	-17,000	2,243,893	3,000	2,246,893

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	400,000

Notes to the Estimate (*continued*)**Changes in Accounting Policies**

We have adopted IFRS since the last publication of our Supply Estimates, and these standards take effect from 1 April 2009. The adoption of IFRS has led to some alteration in FCO's budgets, as set out in the Introduction.

Department of Energy and Climate Change

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Transfers of budgetary cover to/from other government departments</u>			
	Capital Grants		
C3	Increase in provision - transfer from Department for the Environment, Food and Rural Affairs for Anaerobic Digestion	4,400,000	
C3	Decrease in provision - transfer to Department for Business, Innovation and Skills for Technology Strategy Board for Fuel Cells and Hydrogen Demonstration Programme		-2,100,000
C3	Decrease in provision - transfer to Department for Business, Innovation and Skills for UK Innovation Investment Fund		-25,000,000
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>			
B5	Reduction in operating appropriations-in-aid (DEL) for Managing historic energy liabilities effectively and responsibly offset by decrease in non-voted DEL spending	34,043,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
	Other resource (non cash)		
G2	To decrease provision for Managing historic energy liabilities effectively and responsibly (Other Current)		-30,831,000
G3	To decrease provision for Managing historic energy liabilities effectively and responsibly (Grants)		-930,000

Other changes**Resource transfers within the Request for Resources**

	Other resource (near cash)		
A2	Increase in provision for Supporting affordable, secure and sustainable energy (Other Current)	1,174,000	
A3	Increase in provision for Supporting affordable, secure and sustainable energy (Grants)	7,840,000	
C2	Reduction in provision for Bringing about a low carbon UK (Other Current)		-47,151,000
C3	Increase in provision for Bringing about a low carbon UK (Grants)	44,690,000	
D2	Reduction in provision for Developing an international agreement on climate change (Other Current)		-3,948,000
E2	Reduction in provision for Promoting low carbon technologies in developing countries (Other Current)		-12,000,000
E3	Increase in provision for Promoting low carbon technologies in developing countries (Grants)	7,830,000	
F2	Increase in provision for Professional support and infrastructure (Other Current)	1,565,000	

Transfers from non-voted spending

	Other resource (near cash) - change offset by reductions in non-voted spending on Provisions		
F2	To increase provision for Professional support and infrastructure	5,001,000	
	Capital Grants - change offset by reductions in non-voted spending by sponsored non Departmental Public Bodies		
C3	To increase provision for Bringing about a low carbon UK	170,000	

Increases in non-budget spending

	To increase Grant-in-Aid provision for:		
I3	Nuclear Decommissioning Authority	202,060,000	
I3	Coal Authority	6,693,000	

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

A2/A5	To increase provision for expenditure and corresponding appropriations-in-aid for Supporting affordable, secure and sustainable energy	4,591,000	-4,591,000
C2/C5	To increase provision for expenditure and corresponding appropriations-in-aid for Bringing about a low carbon UK	4,852,000	-4,852,000
D2/D5	To increase provision for expenditure and corresponding appropriations-in-aid for Developing an international agreement on climate change	1,000,000	-1,000,000
F1/F5	To increase provision for expenditure and corresponding appropriations-in-aid for Professional support and infrastructure	3,277,000	-3,277,000

Totals**329,186,000 -135,680,000****Total RfR 1****193,506,000**

Total change in resources for Estimate:	193,506,000
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Changes in capital

Section Reason for Change

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Changes related to movements in budgets

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

B8	Increase in non-operating appropriations-in-aid (DEL) for Managing historic energy liabilities effectively and responsibly offset by increase in non-voted DEL spending	-121,599,000
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<u>Totals</u>	- -121,599,000
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Total RfR 1	-121,599,000
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Total changes in capital for Estimate:	-121,599,000
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2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £112,974,000
3. Symbols are explained in the Introduction to this booklet.

Department of Energy and Climate Change

Part I

	£
Request for Resources 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.	193,506,000
Total additional net resource requirement	193,506,000
Additional net cash requirement	112,974,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department of Energy and Climate Change on:

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Support for energy-related activities including regulation, civil emergency planning, environmental remediation and support for new and sustainable energy sources, security and non-proliferation; safety, environment and social impact programmes relating to nuclear sites in Central and Eastern Europe and the former Soviet Union and other countries where future G8 Global Partnership related initiatives may be pursued.

Respond to fuel poverty needs; measures to improve energy efficiency, security and environmental practice; promote and support actions to reduce global greenhouse gas emissions; climate modelling and risk assessment.

Work towards international agreement on climate change; subscriptions and contributions to international organisations and fulfilment of international treaty obligations.

Payments to the Department for Business, Innovation and Skills towards the costs of the Regional Development Agencies and the London Development Agency.

Efficient discharge of liabilities falling to the Department, including nuclear waste management and decommissioning and for former coal industry employees.

Specialist support services, staff management and development; other departmental administration and non-cash costs; exchange risk and other guarantee losses; publicity, promotion, publications, knowledge sharing initiatives and departmental research and development; grant-in-aid and subsidies to support delivery bodies; surveys, monitoring, statistics, advice and consultancies; licensing, approvals and certification; inspections and compliance in accordance with EU regulatory requirements.

The **Department of Energy and Climate Change** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.						
		173,183	-20,323	193,506		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Supporting affordable, secure and sustainable energy	76,564	13,605	4,591	9,014	85,578
B	Managing historic energy liabilities effectively and responsibly	-1,145,663	-	-34,043	34,043	-1,111,620
C	Bringing about a low carbon UK	814,634	-20,139	4,852	-24,991	789,643
D	Developing an international agreement on climate change	9,858	-2,948	1,000	-3,948	5,910
E	Promoting low carbon technologies in developing countries	112,000	-4,170	-	-4,170	107,830
F	Professional support and infrastructure	93,512	9,843	3,277	6,566	100,078
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
G	Managing historic energy liabilities effectively and responsibly	109,592	-31,761	-	-31,761	77,831
Non-Budget						
I	Managing historic energy liabilities effectively and responsibly	2,804,768	208,753	-	208,753	3,013,521
Total for Estimate:			173,183	-20,323	193,506	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	121,600	-	121,600
Non-Operating A in A	-	121,599	121,599
Net cash requirement	3,226,606	112,974	3,339,580

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A	
1	2	3	4	5	6		7	8	
RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.									
96,789	249,788	3,868,186	4,214,763	1,142,434	3,072,329		121,600	121,599	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Supporting affordable, secure and sustainable energy								
-	24,222	67,910	92,132	6,554	85,578		-	-	
B	Managing historic energy liabilities effectively and responsibly								
-	9,577	555	10,132	1,121,752	-1,111,620		-	121,599	
C	Bringing about a low carbon UK								
-	121,260	673,235	794,495	4,852	789,643		121,600	-	
D	Developing an international agreement on climate change								
-	6,910	-	6,910	1,000	5,910		-	-	
E	Promoting low carbon technologies in developing countries								
-	-	107,830	107,830	-	107,830		-	-	
F	Professional support and infrastructure								
96,789	6,566	-	103,355	3,277	100,078		-	-	
Spending in Annually Managed Expenditure (AME)									
<i>Central Government spending</i>									
G	Managing historic energy liabilities effectively and responsibly								
-	76,253	1,578	77,831	-	77,831		-	-	
Non-Budget									
H	Supporting affordable, secure and sustainable energy								
-	5,000	-	5,000	4,999	1		-	-	
I	Managing historic energy liabilities effectively and responsibly								
-	-	3,013,521	3,013,521	-	3,013,521		-	-	
J	Bringing about a low carbon UK								
-	-	3,557	3,557	-	3,557		-	-	
Total for Estimate:									
96,789	249,788	3,868,186	4,214,763	1,142,434	3,072,329		121,600	121,599	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	2,878,823	193,506	3,072,329
Voted capital items			
Capital	121,600	-	121,600
Less Non-operating A-in-A	-	121,599	121,599
Total net voted capital	121,600	-121,599	1
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-98,688	43,726	-54,962
Depreciation	-2,987	-	-2,987
New provisions and adjustments to previous provisions	-31,329	-11,965	-43,294
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-120	-	-120
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	359,307	9,306	368,613
Total accruals to cash adjustments	226,183	41,067	267,250
Excess cash to be CFERd	-	-	-
Net Cash Requirement	3,226,606	112,974	3,339,580

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	32,555	<i>32,555</i>	32,555	<i>32,555</i>
Non-operating income not classified as A in A	409,000	<i>409,000</i>	184,401	<i>184,401</i>
Other amounts collectable on behalf of the Consolidated Fund	60,000	<i>60,000</i>	60,000	<i>60,000</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>-</i>	-	<i>-</i>
Total	501,555	<i>501,555</i>	276,956	<i>276,956</i>

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

93,512

Total Net Administration costs

93,512**Net Programme Costs**

RfR 1

2,978,817

Non-voted

-32,555**Total Net Programme costs**

2,946,262**Total Net Operating Cost****3,039,774***of which:*

Net Resource Requirement

3,072,329

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-32,555

Reduction in planned spend unable to be included in Estimate

-

Resource Budget**1,303,136**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	3,072,329
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-32,555
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	3,039,774
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-672,370
European Union income related to capital grants	-
Voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-1,088,267
Unallocated resource provision	24,000
Other adjustments	-
Resource Budget (Budget)	1,303,136
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,105,163
Annually Managed Expenditure (AME)	197,973

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	1
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-184,401
Capital spending by non-departmental public bodies	1,371,635
Capital grants	672,370
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	1,859,605
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,004,605
Annually Managed Expenditure (AME)	-145,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Moira Wallace

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Administration	3,277
<i>of which:</i>	
Sale of goods and services	3,277
Programme	1,139,157
<i>of which:</i>	
Sale of goods and services	1,138,605
Other grant income (including repayments of grants/subsidies)	552

Total RfR 1	1,142,434†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts relating to the Nuclear Decommissioning Authority and the oil and gas industries (including petroleum licensing); income relating to legal services, consultancy, publications, public inquiries, information, secondments, departmental administration costs, central services, rental income and repayments; occupancy charge; administrative and professional services; receipts from other Government Departments and devolved administrations; government carbon offsetting scheme receipts.

Total Operating A in A	1,142,434
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Supporting the provision of energy that is affordable, secure and sustainable; bringing about a low carbon UK; securing an international agreement on climate change; promoting low carbon technologies at home and in developing countries; managing historic energy liabilities effectively and responsibly.

Programme	121,599
<i>of which:</i>	
Sale of assets	121,599

Total RfR 1	121,599†
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† Amount that may be applied as non-operating appropriations in aid, arising from: receipts relating to the Nuclear Decommissioning Authority; the sale of surplus land and buildings.

Total Non-Operating A in A	121,599
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Notes to the Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

£'000

	2009-10 Provision	
	Income	Receipts
Application fees for petroleum exploration and production licenses, and initial and periodic payments (rents). Royalty on petroleum won and saved ●	60,000	60,000
National Nuclear Laboratory Φ	555	555
Distribution of surpluses from coal industry pension scheme Δ	145,000	145,000
BNFL/Urenco dividend Δ	32,000	32,000
Nuclear Decommissioning Authority Φ	39,401	39,401
Total	276,956	276,956

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	39,044	-39,044	-704,781	1,809,944	1,105,163
<i>of which: †</i>					
Administration budget	-	-	93,512	-	93,512
Near-cash in RDEL	39,044	-39,044	-728,313	1,854,438	1,126,125
Capital DEL ††	-144,129	121,429	682,201	1,322,404	2,004,605
Less Depreciation †††	-	-	-2,987	-4,104	-7,091
Total DEL	-105,085	82,385	-25,567	3,128,244	3,102,677

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,264,033

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 A3	Non-proliferation: international subscriptions	26,935

Grants in aid

RfR/Section	Body	£'000
RfR1 I	Nuclear Decommissioning Authority ♥	2,970,752
RfR1 I	Coal Authority ♥	39,769
RfR1 I	Civil Nuclear Police Authority ♥	3,000
RfR1 J	Committee on Climate Change ♥	3,557

International Subscriptions

RfR/Section	Body	£'000
RfR1 A3	International Atomic Energy Agency	22,900
RfR1 A3	Organisation for the Prohibition of Chemical Weapons	4,035
RfR1 A3	Nuclear Energy Agency	1,180
RfR1 D2	UN Framework Convention on Climate Change	3,040
RfR1 D2	International Energy Agency	2,125
RfR1 E3	International Renewable Energy Agency	1,000

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
As at 31 March 2009 the following liabilities fell to be met from the Department's Estimate:-	
Statutory Guarantees	
– Guarantee for Carbon Trust Directors – prevent Director liabilities	19,814
– Guarantee for Energy Trust Directors – prevent Director liabilities	7,100
Statutory Indemnities	
– Quality Assurance for Combined Heat and Power contractors wrongly assessing a scheme	100
– Indemnity in respect of National Grid Company's liabilities re: the interconnector linking the UK and France;	Unquantifiable
Other	
– High Activity Sealed Sources (HASS) Directive	6,000
– Statutory liability for third party claims in excess of the operator's liability in the event of a nuclear accident in the UK.	Unquantifiable
– Letter of comfort to AEA Technology re: joint European project for the underground gasification of coal.	Unquantifiable
– Coal Industry Act 1994: Any liabilities of British Coal in respect of industrial injury to its former employees between 1947 and 31 December 1997 and any disability or disease arising from employment in that period, the timing and amounts of which are uncertain at this time. The liabilities arise through the various health claims that have been made by former and current employees of British Coal. The uncertainty is due to two factors: a) the nature of any injury; and b) whether the courts decide that compensation is due. Given recent history, the fact that the burden of proof rests with the plaintiff and that the compensation level is determined on a case-by-case basis, there is a high level of uncertainty relating to either the amount of the payments due or whether they are likely to be paid. Over time, it is likely that a more accurate estimate of the expected costs to be borne by the Department will become available.	Unquantifiable
– Nuclear Liabilities Fund – Secretary of State Trustee Indemnities: Indemnities have been given to the three Trustees of the NLF appointed by the Secretary of State. These indemnities are against personal liability following any legal action against the Fund.	Unquantifiable
– Nuclear Liabilities Fund – British Energy Trustee Back Up Indemnities: Given to the two BE appointed Trustees of the Nuclear Liabilities Fund. These indemnities are against personal liability following any legal action against the Fund. These indemnities can only be used following failed recourse to an indemnity given by British Energy.	Unquantifiable

– Deed Relating to the British Coal Staff Superannuation Scheme under Paragraph 2(9) of Schedule 5 to the Coal Industry Act 1994 and Deed Relating to the Mineworkers' Pension Scheme under Paragraph 2(9) of Schedule 5 to the Coal Industry Act 1994: Government Guarantees were put in place on 31 October 1994, the day the Schemes were changed to reflect the impact of the privatisation of the coal industry. They are legally binding contracts between the Trustees and the Secretary of State for Energy and Climate Change. The Guarantees ensure that the benefits earned by Scheme members during their employment with British Coal, and any benefit improvements from surpluses which were awarded prior to 31 October 1994, will always be paid and will be increased each year in line with the Retail Prices Index. The 1994 arrangements provided for the following notional sub-funds to be established within each overall fund: Guaranteed Fund; Bonus Augmentation Fund; Guarantor's Fund; and Investment Reserve.

Unquantifiable

If at any periodic valuation the assets of the Guaranteed Fund were to be insufficient to meet its liabilities, the assets must be increased to bring the Fund back into balance. This might necessitate one or more of the following steps: transfer of assets from the Investment Reserve; equal transfers from the Guarantor's Fund and the Bonus Augmentation Fund; payments from the Government under the terms of the Guarantees. A future liability may arise in circumstances where action is required. At the year end management is unable to reliably determine both the timing and the amount of any potential liability as it will arise as a direct result of the overall performance of the Schemes which are controlled and managed independently of the Department.

UK Atomic Energy Authority Pension Schemes

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Effective management of UKAEA pension schemes

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

A3	Increase in forecast non-cash (mainly interest on scheme liabilities)	13,216,000	
A5	Reduction in forecast receipts from pension contributions	4,923,000	
	<u>Totals</u>	18,139,000	-
<u>Total RfR 1</u>			18,139,000
<u>Total change in resources for Estimate:</u>			18,139,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £26,144,000
3. Symbols are explained in the Introduction to this booklet.

UK Atomic Energy Authority Pension Schemes

Part I

	£
Request for Resources 1: Effective management of UKAEA pension schemes	18,139,000
Total additional net resource requirement	18,139,000
Additional net cash requirement	26,144,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the UK Atomic Energy Authority Pension Schemes on:

RfR 1: Effective management of UKAEA pension schemes

Payment of pensions etc., to members of the United Kingdom Atomic Energy Authority pension schemes, related expenditure and associated non-cash items.

The **UK Atomic Energy Authority Pension Schemes** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Effective management of UKAEA pension schemes		13,216	-4,923	18,139	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Payments of pensions, transfer values and repayments of contributions	263,131	13,216	-4,923	18,139	281,270
Total for Estimate:		13,216	-4,923	18,139	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	155,243	26,144	181,387

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6		7	8
RfR 1: Effective management of UKAEA pension schemes								
-	-	310,547	310,547	29,277	281,270		-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Payments of pensions, transfer values and repayments of contributions								
-	-	310,547	310,547	29,277	281,270		-	-
Total for Estimate:								
-	-	310,547	310,547	29,277	281,270		-	-

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	263,131	18,139	281,270
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-297,331	-13,216	-310,547
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	17,000	17,000
Use of provisions	189,443	4,221	193,664
Total accruals to cash adjustments	-107,888	8,005	-99,883
Excess cash to be CFERd	-	-	-
Net Cash Requirement	155,243	26,144	181,387

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Combined Revenue Account

£'000

	2009-10 Provision
Net Programme Costs	
RfR 1	281,270
<i>of which:</i>	
Income	
Contributions received	27,423
Transfers in	1,854
Other income receivable	-
Total Income	<u>29,277</u>
Expenditure	
Increase in liability	32,065
Interest on scheme liability	278,482
Other expenditure	-
Total Expenditure	<u>310,547</u>
Non-voted	-
Total Net Programme costs	<u>281,270</u>
Total Net Operating Cost	281,270
<i>of which:</i>	
Net Resource Requirement	281,270
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	281,270

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	281,270
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	281,270
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	281,270
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
Annually Managed Expenditure (AME)	281,270

Reconciliation of capital expenditure between Estimates and Budgets

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

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

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

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

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

	£'000
	2009-10
RfR 1: Effective management of UKAEA pension schemes	
Programme	29,277
<i>of which:</i>	
Pension scheme related income	29,277
Other income (including receipts)	-
Total RfR 1	29,277†
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts of employers' and employees' contributions and inward transfers.</i>	
Total Operating A in A	29,277

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

£'000**Revised**

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

29,277

Office of Gas and Electricity Markets

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>			
C1 and C5	Additional administration expenditure fully offset by increased operating appropriations-in-aid from recharges	2,500,000	-2,500,000
D1 and D5	Additional administration expenditure fully offset by increased operating appropriations-in-aid from recharges	1,500,000	-1,500,000
<u>Token increases</u>			
A1	A token increase in administration costs to allow an Estimate to be taken	1,000	-
<u>Totals</u>		4,001,000	-4,000,000
Total RfR 1			1,000
Total change in resources for Estimate:			1,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £4,001,000

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

Office of Gas and Electricity Markets

Part I

	£
Request for Resources 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	4,001,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Office of Gas and Electricity Markets on:

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.

Administrative and operational costs, payments to other government organisations, co-operation with international regulators, services to other government organisations, administration of the Smart Metering project, energy efficiency, offshore transmission and other environmental schemes; and associated non-cash items.

The **Office of Gas and Electricity Markets** 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 consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.					
		4,001	4,000	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Gas and Electricity Markets Authority: Administration	1	1	-	1	2
C Energy Efficiency and Other Environmental Schemes: Administration	-	2,500	2,500	-	-
D Offshore Transmission Tender : Administration	-	1,500	1,500	-	-
Total for Estimate:		4,001	4,000	1	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	1,000	-	1,000
Non-Operating A in A	50	-	50
Net cash requirement	10,156	4,001	14,157

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
1	2	3	4	5	6	7	A in A	8
RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.								
53,909	-	-	53,909	53,207	702	1,000	50	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Gas and Electricity Markets Authority: Administration							
36,981	-	-	36,981	36,979	2	1,000	50	
B	Climate Change Levy & Renewable Energy Guarantees of Origin: Administration							
700	-	-	700	-	700	-	-	
C	Energy Efficiency and Other Environmental Schemes: Administration							
9,128	-	-	9,128	9,128	-	-	-	
D	Offshore Transmission Tender : Administration							
7,100	-	-	7,100	7,100	-	-	-	
Total for Estimate:								
53,909	-	-	53,909	53,207	702	1,000	50	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	701	1	702
Voted capital items			
Capital	1,000	-	1,000
Less Non-operating A-in-A	50	-	50
Total net voted capital	950	-	950
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	250	-	250
Depreciation	-1,000	-	-1,000
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-45	-	-45
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	6,600	4,000	10,600
Increase (-) / Decrease (+) in creditors	2,000	-	2,000
Use of provisions	700	-	700
Total accruals to cash adjustments	8,505	4,000	12,505
Excess cash to be CFERd	-	-	-
Net Cash Requirement	10,156	4,001	14,157

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

702

Total Net Administration costs

702
Total Net Operating Cost**702***of which:*

Net Resource Requirement

702

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget**702**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	702
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	702
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	702
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	702
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	950
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	950
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	950
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Alistair Buchanan, Chief Executive of OFGEM

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.

Administration	53,207
<i>of which:</i>	
Sale of goods and services	4,000
Regulatory licences, fines, penalties and taxes	49,207
Total RfR 1	53,207†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: regulation of monopolies and promoting competition. Includes gas and electricity licence fees; recovery of costs for administering the Offshore Transmission tender, the Smart Metering project, and the Fossil Fuel Levy; income from fees and charges levied under the Gas Act 1986 and the Electricity Act 1989, as amended by the Utilities Act 2000; receipts in respect of letting, disposal, vacation or occupation of property or accommodation; income from services to other government organisations and any other cost recovery receipts.

Total Operating A in A	53,207
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry, and expenditure in connection with environmental programmes.

Administration	50
<i>of which:</i>	
Sale of assets	50
Total RfR 1	50†

† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of capital assets.

Total Non-Operating A in A	50
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL		
	Voted	Non-voted	Voted	Non-voted	Total	
Resource DEL	1	-	702	-	702	
<i>of which:†</i>						
Administration budget	1	-	702	-	702	
Near-cash in RDEL	1	-	-93	700	607	
Capital DEL††	-	-	950	-	950	
Less Depreciation†††	-	-	-1,000	-	-1,000	
Total DEL	1	-	652	-	652	

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	53,257

Department for Environment, Food and Rural Affairs

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
M3	Increase in near cash Grants for A Healthy Natural Environment, relating to Invest to Save Budget (ISB) project Need it / Build it	142,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer to A Healthy Natural Environment Other Current spend from Department for Communities and Local Government (DCLG)	233,000	
B3	Transfer from Sustainable Consumption and Production Grants to Department of Energy and Climate Change (DECC)		-4,400,000
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A1	Decrease in Administration spend for A Healthy Natural Environment		-995,000
A2	Decrease in Other Current spend for A Healthy Natural Environment		-633,000
B1	Increase in Administration spend for Sustainable Consumption and Production	3,805,000	

B2	Decrease in Other Current spend for Sustainable Consumption and Production		-43,716,000
B3	Increase in Grants for Sustainable Consumption and Production	48,841,000	
C1	Increase in Administration spend for Addressing Environmental Risk and Emergencies	60,000	
C2	Increase in Other Current spend for Addressing Environmental Risk and Emergencies	1,979,000	
D1	Decrease in Administration spend for A Thriving Farming and Food Sector		-6,997,000
D2	Increase in Other Current spend for A Thriving Farming and Food Sector	23,993,000	
E1	Decrease in Administration spend for Championing Sustainable Development		-90,000
E2	Decrease in Other Current spend for Championing Sustainable Development		-5,000
F1	Increase in Administration spend for Strong Rural Communities	151,000	
F2	Decrease in Other Current spend for Strong Rural Communities		-4,185,000
F3	Decrease in Grants for Strong Rural Communities		-1,980,000
G1	Increase in Administration spend for A Respected Department	5,650,000	
G2	Decrease in Other Current spend for A Respected Department		-28,569,000
I2	Increase in Other Current spend for Rural Payments Agency Running Costs	8,923,000	
I3	Increase in Grants for Rural Payments Agency Running Costs	1,980,000	
K1	Decrease in Administration spend for Adapting to Climate Change		-3,241,000
K2	Decrease in Other Current spend for Adapting to Climate Change		-4,845,000
K3	Decrease in Grants for Adapting to Climate Change		-125,000
L1	Increase in Administration spend for A Sustainable, Secure and Healthy Food Supply	41,000	
L2	Increase in Other Current spend for A Sustainable, Secure and Healthy Food Supply	100,000	
M3	Decrease in Grants for A Healthy Natural Environment (LA)		-142,000

<u>Transfers to/from non-voted spending</u>			
A2	Transfer of Other Current spend from A Healthy Natural Environment to Natural England	-1,387,000	
A2	Transfer of Other Current spend from A Healthy Natural Environment to Environment Agency	-783,000	
D2	Transfer of Other Current spend from Gangmasters Licensing Authority to A Thriving Farming and Food Sector	589,000	
G2	Transfer of Other Current spend from A Respected Department to Gangmasters Licensing Authority	-52,000	
<u>Increases in non-budget spending</u>			
R3	Increase in grant in aid for Natural England	5,413,000	
R3	Increase in grant in aid for Environment Agency	783,000	
T3	Reduction in grant in aid for Gangmasters Licensing Authority	-537,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A1 and A5	Increase in Administration spend for A Healthy Natural Environment, offset by an increase in Appropriations in Aid	506,000	-506,000
A2 and A5	Increase in Other Current spend for A Healthy Natural Environment, offset by an increase in Appropriations in Aid	8,673,000	-8,673,000
C3 and C5	Increase in Grants for Addressing Environmental Risk and Emergencies, offset by an increase in Appropriations in Aid	3,000,000	-3,000,000
D1 and D5	Increase in Administration spend for A Thriving Farming and Food Sector, offset by an increase in Appropriations in Aid	208,000	-208,000
D5 and D2	Decrease in Appropriations in Aid for A Thriving Farming and Food Sector, offset by a decrease in Other Current spend	4,571,000	-4,571,000
G1 and G5	Increase in Administration spend for A respected Department, offset by an increase in Appropriations in Aid	17,371,000	-17,371,000
K2 and K5	Increase in Other Current spend for Adapting to Climate Change, offset by an increase in Appropriations in Aid	164,000	-164,000
V2 and V5	Increase in Other Current spend for Rural Payments Agency EC Funded, offset by an increase in Appropriations in Aid	263,745,000	-263,745,000

I2 and I5	Increase in Other Current spend for Rural Payments Agency Running Costs, offset by an increase in Appropriations in Aid	50,000	-50,000
Totals		400,971,000	-400,970,000
Total RfR 1		1,000	
Total change in resources for Estimate:		1,000	

Changes in capitalSection Reason for Change

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Changes related to movements in budgetsChanges in non-operating appropriations-in-aid (fully offset by changes in spending)

G7 and G8	Increase in Capital spend for A Respected Department, offset by an increase in Non-Operating Appropriations in Aid.	647,000	-647,000
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Other changesTransfers within the Estimate

A7	Decrease in Capital spend for A Healthy Natural Environment		-1,000,000
D7	Increase in Capital spend for A Thriving Farming and Food Sector	500,000	
F7	Increase in Capital spend for Strong Rural Communities	1,000,000	
G7	Decrease in Capital spend for A Respected Department		-6,500,000
I7	Increase in Capital spend for Rural Payments Agency Running Costs	6,000,000	
Totals		8,147,000	-8,147,000

Total RfR 1		-	
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Total changes in capital for Estimate:		-	
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2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £1,000

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

Department for Environment, Food and Rural Affairs

Part I

	£
Request for Resources 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible†	1,000
Total additional net resource requirement	1,000
Additional net cash requirement†	1,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for Environment, Food and Rural Affairs on:

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Climate modelling, risk assessment and adaptation;

Support national and global biodiversity; contaminated land grants; environmental protection; maintain water quality and supply; management of inland waterways and obligations under the Water Act 2003; marine environment, species and habitat protection; international policy, research, standard-setting, and monitoring to support sustainable forestry; wildlife management; maintain air and ozone quality; increase UK's environment decontamination capabilities;

Promotion and support for sustainable consumption and production, better waste management and sustainable development;

Flood risk management; exotic and endemic animal and plant disease policy portfolio and eradication; regulatory systems for chemicals and pesticides; manage other environmental risks; land drainage and sewerage; noise-mapping; radioactive waste management; pollution emergency response services;

Supporting development of farming and cost-sharing initiatives; keeping, movement tracing, international trade and welfare of animals; animal products, dairy hygiene and marketing; champion hygienic production, marketing, delivery and processing in the agriculture, fisheries and food industries; EU compensation payments to producers and support for agriculture; UK's responsibilities under the CITES Convention; fishing industry support;

Support a sustainable, secure and healthy food supply;

Support for rural and regional development;

Specialist support services, staff management and development; other departmental administration and non-cash costs; publicity, promotion, awareness and publications; knowledge sharing initiatives; commissioned and departmental research and development; grant-in-aid and subsidies to support delivery bodies; surveys, monitoring, statistics, advice and consultancies; funding through Area Based Grants; subscriptions and contributions to international organisations; licensing, approvals and certification; inspections and compliance in accordance with EU regulatory requirements.

RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain

Deliver the social, environmental and economic programmes of the UK Government's strategy for Trees, Woods and Forests in England, connected to the distinctive needs of the Regions, through the promotion of forestry: and by managing the Commission's Estate regulating planting and felling and offering incentives. Provide advice and support to the UK Government and to the devolved administrations in Scotland and Wales, represent the United Kingdom's forestry interests within the European Union and internationally, set standards for sustainable forest management and encourage good forestry practice, conduct forest research and protect forests from pests and disease.

The **Department for Environment, Food and Rural Affairs** will account for this Estimate.

† £50,000 has been advanced from the Contingencies Fund to provide cash in respect of £50,000 resources supporting the new service provided for under subhead A2 of this Estimate. A corresponding cash amount is required to enable repayment to be made to the Fund, to be taken from within the existing provision.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible						
		289,147	289,146	1		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	A Healthy Natural Environment	825,504	5,614	9,179	-3,565	821,939
B	Sustainable Consumption and Production	93,558	4,530	-	4,530	98,088
C	Addressing Environmental Risk and Emergencies	365,161	5,039	3,000	2,039	367,200
D	A Thriving Farming and Food Sector	85,663	13,222	-4,363	17,585	103,248
E	Championing Sustainable Development	5,350	-95	-	-95	5,255
F	Strong Rural Communities	97,577	-6,014	-	-6,014	91,563
G	A Respected Department	277,656	-5,600	17,371	-22,971	254,685
I	Rural Payments Agency Running Costs	207,513	10,953	50	10,903	218,416
K	Adapting to Climate Change	31,669	-8,047	164	-8,211	23,458
L	A Sustainable, Secure and Healthy Food Supply	3,727	141	-	141	3,868

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
Non-Budget					
R A Healthy Natural Environment	488,845	6,196	-	6,196	495,041
T A Thriving Farming and Food Sector	2,741	-537	-	-537	2,204
V Rural Payments Agency EC Funded	-	263,745	263,745	-	-
Total for Estimate:		289,147	289,146	1	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	89,947	647	90,594
Non-Operating A in A	16,300	647	16,947
Net cash requirement	5,236,206	1	5,236,207

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible								
441,524	4,571,695	1,620,392	6,633,611	1,359,792	5,273,819	88,594	16,947	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	A Healthy Natural Environment							
41,455	772,147	68,641	882,243	60,304	821,939	6,496	-	
B	Sustainable Consumption and Production							
8,894	44,753	44,441	98,088	-	98,088	-	-	
C	Addressing Environmental Risk and Emergencies							
31,450	321,268	40,935	393,653	26,453	367,200	25,105	-	
D	A Thriving Farming and Food Sector							
30,764	85,755	1	116,520	13,272	103,248	1,800	-	
E	Championing Sustainable Development							
1,505	3,750	-	5,255	-	5,255	-	-	
F	Strong Rural Communities							
1,885	25,830	63,878	91,593	30	91,563	1,000	-	
G	A Respected Department							
320,706	28,621	-	349,327	94,642	254,685	28,645	16,947	
H	Rural Payments Agency EC Funded							
-	1,871,433	6,962	1,878,395	-	1,878,395	-	-	
I	Rural Payments Agency Running Costs							
-	217,207	1,980	219,187	771	218,416	25,548	-	
J	Rural Payments Agency Other							
-	55,750	-	55,750	-	55,750	-	-	
K	Adapting to Climate Change							
3,109	13,913	6,600	23,622	164	23,458	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
L	A Sustainable, Secure and Healthy Food Supply								
	1,756	2,112	-	3,868	-	3,868	-	-	
	<i>Support for Local Authorities</i>								
M	A Healthy Natural Environment								
	-	-	73,931	73,931	-	73,931	-	-	
N	Sustainable Consumption and Production								
	-	-	118,916	118,916	-	118,916	-	-	
O	Rural Payments Agency EC Funded								
	-	-	4,868	4,868	-	4,868	-	-	
P	Area Based Grant: DEFRA								
	-	-	2,997	2,997	-	2,997	-	-	
	Spending in Annually Managed Expenditure (AME)								
	<i>Central Government spending</i>								
Q	A Healthy Natural Environment								
	-	-35,000	59,300	24,300	-	24,300	-	-	
	Non-Budget								
R	A Healthy Natural Environment								
	-	-	495,041	495,041	-	495,041	-	-	
S	Addressing Environmental Risk and Emergencies								
	-	-	620,234	620,234	-	620,234	-	-	
T	A Thriving Farming and Food Sector								
	-	-	2,204	2,204	-	2,204	-	-	
U	Strong Rural Communities								
	-	-	6,400	6,400	-	6,400	-	-	
V	Rural Payments Agency EC Funded								
	-	1,164,156	-	1,164,156	1,164,156	-	-	-	
W	Championing Sustainable Development								
	-	-	3,063	3,063	-	3,063	-	-	

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital		
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
1	2	3	4	5	6	7	A in A	8
RfR 2: Direction of the delivery of the Government's Strategy for Trees, Woods and Forests in England and taking the lead in development and promotion of sustainable forest management across Great Britain								
-	74,379	800	75,179	-	75,179	2,000	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Forestry Commission (England)								
-	56,860	-	56,860	-	56,860	40	-	-
B Forestry Commission (GB Core)								
-	17,519	800	18,319	-	18,319	1,960	-	-
Total for Estimate:								
441,524	4,646,074	1,621,192	6,708,790	1,359,792	5,348,998	90,594	16,947	

Part II: Resource to cash reconciliation**£'000**

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	5,348,997	1	5,348,998
Voted capital items			
Capital	89,947	647	90,594
Less Non-operating A-in-A	16,300	647	16,947
Total net voted capital	73,647	-	73,647
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-56,708	12,031	-44,677
Depreciation	-124,729	-541	-125,270
New provisions and adjustments to previous provisions	-93,647	-	-93,647
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,354	-11,490	-12,844
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	90,000	-	90,000
Total accruals to cash adjustments	-186,438	-	-186,438
Excess cash to be CFERd	-	-	-
Net Cash Requirement	5,236,206	1	5,236,207

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

	2009-10 Provision
Net Administration Costs	
RfR 1	304,296
RfR 2	-
Total Net Administration costs	304,296
Net Programme Costs	
RfR 1	4,969,523
RfR 2	75,179
Non-voted	-2,220,263
Total Net Programme costs	2,824,439
Total Net Operating Cost	3,128,735
<i>of which:</i>	
Net Resource Requirement	5,348,998
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-2,220,263
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	2,713,456

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	5,348,998
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-2,220,263
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	3,128,735
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-173,481
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-267,906
Unallocated resource provision	26,000
Other adjustments	108
Resource Budget (Budget)	2,713,456
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	2,709,007
Annually Managed Expenditure (AME)	4,449

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	73,647
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	417,495
Capital grants	173,481
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	500
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-108
Capital Budget (Budget)	665,015
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	664,515
Annually Managed Expenditure (AME)	500

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Helen Ghosh, Accounting Officer and Permanent Head of Department

Request for Resources 2: Tim Rollinson, Director General of the Forestry Commission

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Administration	137,228
<i>of which:</i>	
Sale of goods and services	137,228
Programme	1,222,564
<i>of which:</i>	
Sale of goods and services	11,586
EU Income	1,175,836
Other grant income (including repayments of grants/subsidies)	5,404
Interest and dividends	29,630
Other income (including receipts)	108

Total RfR 1	1,359,792†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Income from devolved administrations and EC; receipts from sale of carcasses and vaccines; income from levies, licensing, approvals, certification, publications, public inquiries, information, inspections, registrations, supervision and extensification; administration of grant, waste disposal, capital loan schemes; commissioned surveys, research, studies and advice; rental income and repayments; occupancy charge; administrative and professional services; pension and redundancy contributions; knowledge sharing initiatives.

Total Operating A in A	1,359,792
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Ensuring that consumers benefit from competitively priced food, produced to high standards of safety; environmental care and animal welfare from a sustainable, efficient food chain, to contribute to the well being of rural and coastal communities and funding aspects of the Common Agricultural Policy and Rural Development Programme for England Guarantee Section as economically, efficiently and effectively as possible

Programme	16,947
<i>of which:</i>	
Sale of assets	16,947

Total RfR 1	16,947†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of surplus land, buildings and other capital assets.

Total Non-Operating A in A	16,947
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-1,258	1,633	4,001,027	-1,292,020	2,709,007
<i>of which: †</i>					
Administration budget	-	-	304,296	-	304,296
Near-cash in RDEL	-1,258	1,633	3,748,889	-1,375,314	2,373,575
Capital DEL ††	-4,400	-	270,376	394,139	664,515
Less Depreciation †††	-541	-	-125,270	-99,119	-224,389
Total DEL	-6,199	1,633	4,146,133	-997,000	3,149,133

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	1,376,739

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

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

RfR/Section	Service	£'000
RfR1 A-F	Payments for Committees and Tribunals	58

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

RfR/Section	Body	£'000
RfR1 - R	Natural England ♦	218,879
RfR1 - U	Commission for Rural Communities ♥	6,400
RfR1 - R & S	Environment Agency ♥	856,894
RfR1 - R	National Forest Company ♥	3,570
RfR1 - R	Royal Botanic Gardens, Kew ♥	28,500
RfR1 - T	Food from Britain ♥	500
RfR1 - R	Joint Nature Conservation Committee ♠	1,920
RfR1 - R	Consumer Council for Water ♥	5,512
RfR1 - T	Gangmasters Licensing Authority ♥	1,704
RfR1 - W	Sustainable Development Commission ♥	3,063

Department for Culture, Media and Sport

Introduction

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

	Amount (£)	
	<u>Increases</u>	<u>Reductions</u>

Changes in resources

RfR 1: Improving the quality of life through cultural and sporting activities

Section Reason for Change

Changes related to movements in budgets

Take up of DEL end-year flexibility

J1	Administration EYF for the Government Olympic Executive	3,300,000
R3	Increase in Grant-in-Aid provision for the UK Film Council to fund non-voted Resource DEL	3,000,000
A3	Increase in voted provision for the Invest to Save Budget (ISB) project "Some other way forward"	177,000
B3	Increase in voted provision for the ISB project "Healing Arts"	214,000
B3	Increase in voted provision for the ISB project "Artsmad Flux"	300,000
B3	Increase in voted provision for the ISB project "Creative Alternatives"	3,000
B3	Increase in voted provision for the ISB project "See a Voice"	79,000
M3	Increase in Grant-in-Aid provision for the Natural History Museum ISB project to fund non-voted Resource DEL	106,000
U3	Increase in Grant-in-Aid provision for the Olympic Delivery Authority to fund non-voted Capital DEL	77,500,000

Take up of Departmental Unallocated Provision

D3	For Chatham Historic Dockyard to bring in line with CSR07 allocation	100,000
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Transfers of budgetary cover to/from other government departments

J1	Budget cover transfer from the Cabinet Office for the Parliamentary Council	226,000	
L3	Budget Cover transfer from the Department for International Development for International Inspirations	800,000	

Other changesResource transfers within the Request for Resources

A2:I2	To fund the British Museum Treasure agreement	106,000	-106,000
D3:A2	To other Heritage Support to provide funding for successful support budget bids	-125,000	125,000
A3:D3	To the Wolfson Museums and Galleries Improvement Fund	1,327,000	-1,327,000
C2:B2	To other Sports support to provide funding for successful support budget bids	168,000	-168,000
D3:H2	To other Heritage Support to provide funding for successful support budget bids	98,000	-98,000
J2:D3	Capital grant funding from the Heritage sector for Shanghai Expo	28,000	-28,000
I2:H2	From Creative Economy to fund the Digital Media Bill	-1,150,000	1,150,000
J2:H2	From central research to fund Digital Britain Market Research	50,000	-50,000

Transfers to/from non-voted spending

C3:M3	To Strategic Commissioning from UK School Games, to reverse transfer in previous year	-240,000	240,000
C3:O3	Funding from Dancelinks for Sport England	-50,000	50,000
C3:O3	From Sport England for Free Swimming	4,750,000	-4,750,000
D3:N3	From Heritage support to the Arts Council of England for Cultural Programmes	-50,000	50,000
D3:M3	To the Museum, Libraries and Archive Council (MLA) for the Legal Deposit Advisory Panel	-79,000	79,000
G3:Q3	From voted tourism to VisitBritain to meet relocation costs	-1,800,000	1,800,000
H2:M3	From Audio Visual Eureka to meet Museums and Galleries spending plans	-168,000	168,000
I2:M3	From Creative Economy to meet Museum and Galleries spending plans	-244,000	244,000

J1:M3	Agreed programme to admin switch for the Government Olympic Executive	3,400,000	-3,400,000
J2:M3	Replacing MLA funding topsliced in error	-72,000	72,000
J2:M3	Reallocation of funding to meet Museums and Galleries spending plans	-425,000	425,000
<u>Transfers from capital to capital grants</u>			
J7:D2	For the Humanitarian Assistance Unit	500,000	
J7:H3	Funding for Music Rehearsal Spaces	428,000	
J7:J3	Funding for Shanghai Expo	222,000	
D3:A8	Reduced capital receipts offset by reduced capital grants	-2,645,000	
<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>			
A2:A5	Contribution from Sport England to IdEA amended	-50,000	50,000
B2:B5	Increased income from the Government Arts Collection	127,000	-127,000
D2:D5	Increased income allowing increased spend on Armed Forces Day and the London Marathon	14,000	-14,000
J1:J5	Increased income from Rent Rebate	57,000	-57,000
J1:J5	Increased rental income	15,000	-15,000
J1:J5	Increased income from the National Lottery Distribution Fund and the Olympic Lottery Distribution Fund	50,000	-50,000
J2:J5	Increased income from DEFRA for Climate Research project funding	50,000	-50,000
O3:C5	Increased income from DCSF for the Talented Athlete Support Scheme allowing increased spend in non budget sport	775,000	-775,000
N3:B5	Correcting contribution level from DCSF for non budget ACE project "Find Your Talent"	-250,000	250,000
Totals		90,622,000	-6,312,000
Total RfR 1		84,310,000	
Total change in resources for Estimate:		84,310,000	

Changes in capital**Section Reason for Change****RfR 1: Improving the quality of life through cultural and sporting activities****Changes related to movements in budgets****Take up of Departmental Unallocated Provision**

A8	Capital Departmental Unallocated Provision (DUP) drawdown to reduce planned receipts	585,000
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Other changes**Transfers from capital grants to capital**

J7:D2	For the Humanitarian Assistance Unit	-500,000
J7:H3	Funding for Music Rehearsal Spaces	-428,000
J7:J3	Funding for Shanghai Expo	-222,000
D3:A8	Reduced capital receipts offset by reduced capital grants	2,645,000

<u>Totals</u>		2,080,000	-
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<u>Total RfR 1</u>	2,080,000
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<u>Total changes in capital for Estimate:</u>	2,080,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £86,390,000
3. Symbols are explained in the Introduction to this booklet.

Department for Culture, Media and Sport

Part I

	£
Request for Resources 1: Improving the quality of life through cultural and sporting activities	84,310,000
Total additional net resource requirement	84,310,000
Additional net cash requirement	86,390,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Department for Culture, Media and Sport on:

RfR 1: Improving the quality of life through cultural and sporting activities

Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services; to the Arts and Sports Councils and for other arts, sports and media bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture, and VAT grant scheme for memorials; listed places of worship scheme; promotion of tourism; support to film bodies and projects; the Creative Economy; sponsorship of the music industry; the Welsh Fourth Channel Authority, the Office of Communications and certain broadcasting services, regulatory regimes and schemes; support for alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services, memorials and Royal funerals; support for the provision of humanitarian assistance to those affected by major disasters; costs to support delivery of the Olympic Games 2012 and associated non-cash items.

RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities

Payments to the British Broadcasting Corporation for broadcasting and other services and activities; and associated non-cash items.

The **Department for Culture, Media and Sport** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Improving the quality of life through cultural and sporting activities		85,098	788	84,310	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Museums, galleries and libraries	6,717	1,435	-50	1,485	8,202
B Arts	-4,811	555	-123	678	-4,133
C Sport	1,482	4,628	775	3,853	5,335
D Architecture and the Historic Environment	8,688	-3,292	14	-3,306	5,382
G Tourism	1,900	-1,800	-	-1,800	100
H Broadcasting and media	1,301	1,362	-	1,362	2,663
I Creative Economy	3,000	-1,500	-	-1,500	1,500
J Administration, Research and other surveys	52,593	6,801	172	6,629	59,222
L Olympics including OGD receipts for the ODA	-792,000	800	-	800	-791,200
Non-Budget					
M Museums, galleries and libraries	542,438	-2,066	-	-2,066	540,372
N Arts	417,224	-200	-	-200	417,024
O Sport	198,122	-3,925	-	-3,925	194,197
Q Tourism	48,827	1,800	-	1,800	50,627
R Broadcasting and media	151,876	3,000	-	3,000	154,876
U London 2012	1,014,000	77,500	-	77,500	1,091,500

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
Total for Estimate:		85,098	788	84,310	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	5,350	-1,150	4,200
Non-Operating A in A	5,350	-3,230	2,120
Net cash requirement	4,917,820	86,390	5,004,210

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Improving the quality of life through cultural and sporting activities								
57,546	48,127	2,706,150	2,811,823	864,314	1,947,509	4,200	2,120	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Museums, galleries and libraries							
-	306	9,411	9,717	1,515	8,202	-	2,120	
B	Arts							
-	818	1,929	2,747	6,880	-4,133	200	-	
C	Sport							
-	850	40,327	41,177	35,842	5,335	-	-	
D	Architecture and the Historic Environment							
-	1,567	3,829	5,396	14	5,382	-	-	
E	Listed places of worship scheme							
-	250	15,000	15,250	-	15,250	-	-	
F	The Royal Parks							
-	34,324	-	34,324	14,000	20,324	1,400	-	
G	Tourism							
-	-	100	100	-	100	-	-	
H	Broadcasting and media							
-	3,943	4,046	7,989	5,326	2,663	-	-	
I	Creative Economy							
-	1,500	-	1,500	-	1,500	-	-	
J	Administration, Research and other surveys							
57,546	4,569	250	62,365	3,143	59,222	2,600	-	
K	National Lottery Commission							
-	-	-	-	5,594	-5,594	-	-	
L	Olympics including OGD receipts for the ODA							
-	-	800	800	792,000	-791,200	-	-	
Non-Budget								
M	Museums, galleries and libraries							
-	-	540,372	540,372	-	540,372	-	-	
N	Arts							
-	-	417,024	417,024	-	417,024	-	-	
O	Sport							
-	-	194,197	194,197	-	194,197	-	-	
P	Architecture and the Historic Environment							
-	-	175,698	175,698	-	175,698	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital	
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
	1	2	3	4	5	6	7	8	
Q	Tourism	-	-	50,627	50,627	-	50,627	-	-
R	Broadcasting and media	-	-	154,876	154,876	-	154,876	-	-
S	National Lottery Commission	-	-	5,664	5,664	-	5,664	-	-
T	Gambling, licensing and horseracing	-	-	500	500	-	500	-	-
U	London 2012	-	-	1,091,500	1,091,500	-	1,091,500	-	-
	RfR 2: Broadening access to a rich and varied cultural and sporting life through broadcasting and other services and activities	-	-	3,064,000	3,064,000	-	3,064,000	-	-
	Non-Budget								
A	Home broadcasting	-	-	3,064,000	3,064,000	-	3,064,000	-	-
Total for Estimate:		57,546	48,127	5,770,150	5,875,823	864,314	5,011,509	4,200	2,120

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	4,927,199	84,310	5,011,509
Voted capital items			
Capital	5,350	-1,150	4,200
Less Non-operating A-in-A	5,350	-3,230	2,120
Total net voted capital	-	2,080	2,080
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-2,974	-	-2,974
Depreciation	-6,405	-	-6,405
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-9,379	-	-9,379
Excess cash to be CFERd	-	-	-
Net Cash Requirement	4,917,820	86,390	5,004,210

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision		New Provision	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-
Non-operating income not classified as A in A	4,650	<i>4,650</i>	4,650	<i>4,650</i>
Other amounts collectable on behalf of the Consolidated Fund	3,065,300	<i>3,065,300</i>	3,058,300	<i>3,058,300</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	3,069,950	<i>3,069,950</i>	3,062,950	<i>3,062,950</i>

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	55,133
RfR 2	-
Total Net Administration costs	55,133
Net Programme Costs	
RfR 1	1,892,376
RfR 2	3,064,000
Non-voted	-
Total Net Programme costs	4,956,376
Total Net Operating Cost	5,011,509
<i>of which:</i>	
Net Resource Requirement	5,011,509
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	5,638,615

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	5,011,509
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	5,011,509
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-5,716
European Union income related to capital grants	-
Voted expenditure outside the budget	-3,064,000
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	2,804,044
Unallocated resource provision	-
Other adjustments	892,778
Resource Budget (Budget)	5,638,615
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,688,837
Annually Managed Expenditure (AME)	3,949,778

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	2,080
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-4,650
Capital spending by non-departmental public bodies	601,754
Capital grants	5,716
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	987,220
Capital Budget (Budget)	1,592,120
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	481,900
Annually Managed Expenditure (AME)	1,110,220

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Jonathan Stephens, Permanent Head of Department

Request for Resources 2: Jonathan Stephens, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Improving the quality of life through cultural and sporting activities

Administration	2,413
<i>of which:</i>	
Sale of goods and services	2,413
Other income (including receipts)	-
Programme	861,901
<i>of which:</i>	
Sale of goods and services	22,176
Other grant income (including repayments of grants/subsidies)	804,725
Other income (including receipts)	35,000
Total RfR 1	864,314†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; recovery of ceremonial costs; recovery of costs for repairs to listed buildings; fees and charges for licences and receipts from concessionaires and sponsors; proceeds from the sale of properties; proceeds from the early release of office leases; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones, and proceeds from the sale of properties; repayment of loans in connection with film development projects, fees for self help TV transmission licences, EU receipts; contributions from the BBC toward the cost of the Digital Britain programme; contributions from other government departments toward the cost of joint schemes; contributions from other government departments toward the costs of the Olympic Delivery Authority; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and of the expenses of the National Lottery Commission; receipts from the National Lottery operator's licence fees; and recoveries from the issue of licensing certificates for gaming machines and operators of gaming establishments; recovery of costs and proceeds arising from the sale of the Tote; and receipts associated with the Olympic Games 2012

Total Operating A in A	864,314
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Improving the quality of life through cultural and sporting activities

Programme	2,120
<i>of which:</i>	
Sale of assets	2,120
Other income (including receipts)	-
Total RfR 1	2,120†

† Amount that may be applied as non-operating appropriations in aid, arising from: receipts from the sale of land, buildings, assets and capitalised leases

Total Non-Operating A in A	2,120
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Notes to the Estimate (*continued*)
Analysis of Consolidated Fund extra receipts

£'000

	2009-10 Provision	
	Income	<i>Receipts</i>
Land Sale Receipts Φ	4,650	4,650
License Fee receipts from the BBC \bullet	3,058,300	3,058,300
Total	3,062,950	3,062,950

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	9,696	-1,491	103,335	1,585,502	1,688,837
<i>of which:†</i>					
Administration budget	6,926	-	55,133	-	55,133
Near-cash in RDEL	9,696	-1,491	93,956	1,357,881	1,451,837
Capital DEL††	585	76,915	-784,204	1,266,104	481,900
Less Depreciation†††	-	1,631	-6,405	-103,964	-110,369
Total DEL	10,281	77,055	-687,274	2,747,642	2,060,368

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	866,434

Notes to the Estimate (*continued*)

Expenditure resting on the sole authority of the Appropriation Act

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

RfR/Section	Service	£'000
RfR1 C3	Chess	60
RfR1 D3	Chatham Historic Dockyard Trust	300
RfR1 M3	Geffrye Museum	1,791
RfR1 M3	Horniman Museum and Gardens	4,566
RfR1 M3	Museum of Science and Industry in Manchester	4,987
RfR1 M3	Museums, Libraries and Archives Council	12,891
RfR1 N3	Arts Council of England	417,024
RfR1 R3	UK Film Council	44,284

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR1		
M3	British Museum ♦	52,028
M3	Natural History Museum ♥	51,186
M3	Imperial War Museum ♦	24,163
M3	National Gallery ♥	27,287
M3	National Maritime Museum ♥	19,240
M3	National Museums and Galleries on Merseyside ♥	22,965
M3	National Portrait Gallery ♥	7,744
M3	National Museum of Science & Industry ♥	40,608
M3	Tate Gallery ♥	57,663
M3	Victoria & Albert Museum ♥	44,761
M3	Wallace Collection ♥	4,301
M3	Museum of Science & Industry in Manchester ♠	4,987
M3	Sir John Soane's Museum ♥	1,181
M3	Horniman Museum and Gardens ♠	4,566
M3	Geffrye Museum ♥	1,791
M3	Royal Armouries ♥	8,474
M3	British Library ♥	95,464
M3	Public Lending Right ♥	7,582
M3	Museums, Libraries and Archives Council (MLA) ♥	12,891
N3	Arts Council ♥	417,024
O3	Sport England ♥	129,260
O3	United Kingdom Sports Council ♥	63,676
O3	Football Licensing Authority ♥	1,261
P3	English Heritage ♥	126,801
P3	Churches Conservation Trust ♠	3,100
P3	National Heritage Memorial Fund ♥	10,000
P3	Commission for Architecture & the Built Environment ♥	19,690
P3	Royal Household ♠	16,107
Q3	Visit Britain ♥	47,200
R3	UK Film Council ♠	44,284
R3	S4C ♠	100,042
S3	National Lottery Commission ♥	5,664
T3	The Gambling Commission ♥	500
U3	Olympic Delivery Authority ♥	1,091,500

Department for Work and Pensions

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Other changes in DEL spending</u>			
A1	Administration, Non-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	6,000,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources (RfR5)</u>			
A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards		-138,679,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A5:A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	114,000	-114,000
<u>Totals</u>		6,114,000	-138,793,000
<u>Total RfR 1</u>			<u>-132,679,000</u>

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need
Section Reason for Change**Changes related to movements in budgets**Other changes in DEL spending

A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	-51,536,000
A1	Administration, Non-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	4,203,000
C1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	-7,812,000
C1	Administration, Non-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	169,000

Transfers of budgetary cover to/from other government departments

A1	Administration, Near-Cash Transfer to the Ministry of Justice in respect LSC Legal Aid and the Tribunal Service	-8,600,000
A1	Administration, Near-Cash Transfer to the Ministry of Justice in respect of Tribunal Appeals following Child Support Reform	-4,720,000
B2	Other Current, Near-Cash Transfer to the Department for Business Innovation and Skills in respect of Business Link Services in support of the Government's 6 month Package	-5,759,000
B2	Other Current, Near-Cash Transfer to the Department for Children, Schools and Families in respect of the Child Poverty Unit	-572,000

Changes in Annually Managed Expenditure (AME)

M2	Other Current, Non-Cash Reduction in Severe Disablement Allowance - Cost of Capital Charge	-485,000
N2	Other Current, Non-Cash Reduction in Industrial Injury Disablement Benefit - Cost of Capital Charge	-404,000
O2	Other Current, Non-Cash Reduction in Income Support Under 60 - Cost of Capital Charge	-4,701,000

P2	Other Current, Non-Cash Reduction in Jobseekers Allowance Income Based - Cost of Capital Charge		-1,075,000
T2	Other Current, Non-Cash Reduction in Housing Benefit - Cost of Capital Charge		-277,000
X3	Grants , Near-Cash Revised forecast on expenditure for council Tax Benefit and Rent Allowance	580,000,000	
Y3	Grants, Near-Cash Revised forecast on expenditure for Rent Rebates		-90,000,000
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources (RfR5)</u>			
A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards		-713,885,000
<u>Resource transfers within the Request for Resources</u>			
B2:B3	Grants, Near-Cash Transfer from WWEG "Other Current" to Grants in respect of Future Jobs Fund	244,241,000	-244,241,000
<u>Transfers to/from non-voted spending</u>			
A2	Other current, Near-Cash Transfer to offset decreased non-voted expenditure forecast by Working Ventures UK	806,000	
B2	Other Current, Near-Cash Transfer to offset decreased non-voted expenditure forecast by The Independent Living Fund	2,774,000	
<u>Increase in non-budget spending</u>			
AB2	Grants, Near-Cash Decrease in Grant-in-aid to Working Ventures UK		-806,000
AC2	Other current, non-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	6,674,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A5:A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	1,986,000	-1,986,000

A5:A2	Other current, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	21,438,000	-21,438,000
C5:C1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	9,328,000	-9,328,000
C5:C2	Other Current, Near Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure.	2,908,000	-2,908,000
D5:D1	Administration, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Administration expenditure.	708,000	-708,000
D5:D2	Other Current, Near Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	131,000	-131,000
F5:F3	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure.	102,374,000	-102,374,000
G5:G3	Grants, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Grants expenditure.	27,378,000	-27,378,000
J5:J3	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure.	24,731,000	-24,731,000
K5:K3	Grants, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Grants expenditure.	30,267,000	-30,267,000
	Totals	1,060,116,000	-1,356,122,000
Total RfR 2			-296,006,000

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Section Reason for Change

Changes related to movements in budgets

Other changes in DEL spending

A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards		-5,913,000
A1	Administration, Non-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	207,000	

<u>Transfers of budgetary cover to/from other government departments</u>		
A1	Administration Near-Cash Transfer to the Department for Communities and Local Government in respect of Older Peoples Engagement	-440,000
<u>Changes in operating appropriations-in-aid (not offset by changes in spending)</u>		
A5	Other Current, Near-cash Increase in forecast Appropriations-in-Aid for the Office of the Pensions Ombudsman offset by an increase in non-voted spending	-83,000
A5	Other Current, Near-cash Increase in forecast Appropriations-in-Aid for the Pensions Advisory Service offset by an increase in non-voted spending	-114,000
A5	Other Current, Near-cash Increase in forecast Appropriations-in-Aid for the Office of The Pensions Regulator offset by an increase in non-voted spending	-552,000
<u>Changes in Annually Managed Expenditure (AME)</u>		
C3	Grants, Near-Cash Increase in forecast for Pension Credit/Minimum Income Guarantee	155,000,000
C2	Other Current, Non-Cash Reduction in Minimum Income Guarantee / Pension Credit - Cost of Capital Charge	-3,736,000
<u>Other changes</u>		
<u>Resource transfers to/from another Request for Resources (RfR5)</u>		
A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	-111,791,000
<u>Resource transfers within the Request for Resources</u>		
A2:A3	Grants, Near-Cash Movement from "Other Current" funding to "Grants" to Pensions Protection Fund	2,284,000 -2,284,000
<u>Transfers to/from non-voted spending</u>		
A2	Other Current, Near-Cash Transfer to offset decreased non-voted expenditure forecast by The Personal Accounts Delivery Authority	7,796,000
A2	Other Current, Near-Cash Transfer to offset decreased non-voted expenditure forecast by The Pensions Advisory Service	121,000
A2	Other Current, Near-Cash Transfer to offset increased non-voted expenditure forecast by The Office of the Pensions Ombudsman	-178,000

A2	Other Current, Near-Cash Transfer to offset increased non-voted expenditure forecast by The Pensions Advisory Service		-58,000
	<u>Increase in non-budget spending</u>		
F3	Grants, Near-Cash Increase in forecasts for payments into the Social Fund	5,130,000	
G3	Grants, Near-Cash Increase in Grant-in-Aid to the Personal Accounts Delivery Authority	55,000	
G3	Grants, Near-Cash Increase in Grant-in-Aid to The Pensions Regulator	541,000	
G3	Grants, Near-Cash Increase in Grant-In-Aid to the Office of The Pensions Ombudsman	113,000	
G3	Grants, Near-Cash Increase in Grant-in-Aid to the Pensions Advisory Service	98,000	
	<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>		
A5:A1	Administration, Near-Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure.	1,561,000	-1,561,000
A5:A2	Other Current, Near Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure.	142,000	-142,000
	<u>Totals</u>	173,048,000	-126,852,000
	Total RfR 3		46,196,000

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

C3	Grants, Near-Cash An increase in the forecasts for Attendance Allowance	80,000,000	
D3	Grants, Near-Cash An increase in the forecasts for Disability Living Allowance	117,000,000	

C2	Other Current, Non-Cash Reduction in Attendance Allowance - Cost of Capital Charge		-2,229,000
D2	Other Current, Non-Cash Reduction in Disability Living Allowance - Cost of Capital Charge		-4,918,000
E2	Other Current, Non-Cash Reduction in Invalid Carers Allowance - Cost of Capital Charge		-640,000

Other changesResource transfers to/from another Request for Resources (RfR5)

A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards		-53,215,000
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Increase in non-budget spending

H3	Grants, Near-Cash Decrease in Grant-In-Aid to the Independent Living Fund		-2,500,000
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Changes in operating appropriations-in-aid (fully offset by changes in spending)

A5:A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	882,000	-882,000
A5:A2	Other Current, Near Cash A decrease in forecast Appropriations in Aid leading to an equivalent decrease in Other Current expenditure.	38,000	-38,000

<u>Totals</u>		197,920,000	-64,422,000
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<u>Total RfR 4</u>			133,498,000
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RfR 5: Corporate contracts and support servicesSection Reason for Change**Changes related to movements in budgets**Transfers from resource spending to capital spending (not capital grants)

A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards		-149,513,000
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Other changes in DEL spending

A1	Administration, Near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards		-10,733,000
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A1	Administration, Non-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	60,788,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A1	Administration, Near-Cash Transfer from the Cabinet Office in respect of the Parliamentary Counsel's office	376,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources (RfRs 1 - 4)</u>			
A1	Administration, Near-cash From RfR1, to reflect the impact of the first-time adoption of the International Financial Reporting Standards	138,679,000	
A1	Administration, Near-cash from RfR2, to reflect the impact of the first-time adoption of the International Financial Reporting Standards	713,885,000	
A1	Administration, Near-cash From RfR3, to reflect the impact of the first-time adoption of the International Financial Reporting Standards	111,791,000	
A1	Administration, Near-cash From RfR4, to reflect the impact of the first-time adoption of the International Financial Reporting Standards	53,215,000	
<u>Resource transfers within the Request for Resources</u>			
A2:C3	Grants, Near-cash Movement of funds from "Other Current" to Grants to Local Authorities	135,000	-135,000
<u>Transfers to/from non-voted spending</u>			
A1	Administration, Non-Cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards		-675,412,000
A1	Administration, Non-Cash Increased forecast for voted, non-cash expenditure offset by a decrease in non-voted, non-cash spending.	8,810,000	
A1	Administration, Near-Cash Decreased forecast for voted, near-cash expenditure offset by an increase in non-voted, near-cash spending.		-8,741,000
<u>Increase in non-budget spending</u>			
D2	Other current, near-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	577,950,000	

D2	Other Current, non-cash To reflect the impact of the first-time adoption of the International Financial Reporting Standards	285,913,000	
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A5:A1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	20,464,000	-20,464,000
A5:A2	Other Current, Near Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	314,000	-314,000
B5:B1	Administration, Near-Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Administrative expenditure.	436,000	-436,000
B5:B2	Other Current, Near Cash An increase in forecast Appropriations in Aid leading to an equivalent increase in Other Current expenditure.	57,000	-57,000
<u>Totals</u>		1,972,813,000	-865,805,000
Total RfR 5		1,107,008,000	
Total change in resources for Estimate:		858,017,000	

Changes in capitalSection Reason for Change**RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need****Changes related to movements in budgets**

A7	Capital To reflect the impact of the first-time adoption of the International Financial Reporting Standards	51,536,000	
C7	Capital To reflect the impact of the first-time adoption of the International Financial Reporting Standards	800,000	
<u>Totals</u>		52,336,000	-
Total RfR 2		52,336,000	

Section Reason for Change**RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners****Changes related to movements in budgets**

A7	Capital To reflect the impact of the first-time adoption of the International Financial Reporting Standards	5,913,000	
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Other changesTransfers to/from non-voted spending

A7	Capital Transfer to offset decreased non-voted Capital expenditure forecast by The Pensions Advisory Service	9,000	
A7	Capital Transfer to offset increased non-voted Capital expenditure forecast by The Personal Accounts Delivery Authority		-213,000
A7	Capital Transfer to offset decreased non-voted Capital expenditure forecast by The Pension Regulator	270,000	

Change in non-budget spending

G7	Capital Decrease of the Loan to the Personal Accounts Delivery Authority		-4,628,000
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Totals

		6,192,000	-4,841,000
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Total RfR 3**1,351,000**Section Reason for Change**RfR 5: Corporate contracts and support services****Changes related to movements in budgets**

A7	Capital To reflect the impact of the first-time adoption of the International Financial Reporting Standards	149,513,000	
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Other changesChange in non-budget spending

F7	Capital To reflect the impact of the first-time adoption of the International Financial Reporting Standards	24,082,000	
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<u>Totals</u>	173,595,000	-
<u>Total RfR 5</u>		173,595,000
<u>Total changes in capital for Estimate:</u>		227,282,000

2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £830,766,000
3. Symbols are explained in the Introduction to this booklet.

Department for Work and Pensions

Part I

	£
Request for Resources 1: Ensuring the best start for all children and ending child poverty in 20 years †	-132,679,000
Request for Resources 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need ††	-296,006,000
Request for Resources 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners	46,196,000
Request for Resources 4: Improve the rights and opportunities for disabled people in a fair and inclusive society	133,498,000
Request for Resources 5: Corporate contracts and support services † ††	1,107,008,000
Total additional net resource requirement	858,017,000
Additional net cash requirement	830,766,000

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

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Child Maintenance and Enforcement Commission; associated central services; and the administration and operating costs of the Department and associated non-cash items.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Assessment of entitlement to, calculation and payment of social security benefits to people of working age in accordance with the prevailing legislation and regulations; employment and training programmes, and payments of appropriate allowances, to help people back to work; compensation payments to the National Insurance Fund in respect of Statutory Sick and Statutory Maternity Pay; Social Fund loans and grants; temporary subsidies to employers; Grants, Grants in Aid, loans, and other payments through other government departments and to private, public, and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives;

temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity; subsidies to housing, billing, levying and local authorities for administering the Housing Benefit and Council Tax Benefit; rent rebate; rent allowance; Council Tax Benefit; discretionary housing payments; compensation for dust related diseases; the Health and Safety Executive and Health and Safety Laboratory; Employment client group, and Welfare and Wellbeing client group; support of cross-government initiatives related to employment; payments for education;

training and employment projects assisted by the European Union through the European Social Fund; exchange rate losses/gains on European Social Fund transactions; Programme losses and other losses relating to Social Fund projects; cost of funding the working capital requirement of the European Social Fund; and refunds to the European Union; the UK subscription to the International Labour Organisation; international educational, training and employment programmes; measures to promote financial inclusion; and the administration and operating costs of the Department and associated non-cash items.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Assessment of entitlement to, calculation and payment of, social security benefits to pensioners and to customers abroad in accordance with the prevailing legislation and regulations; Social Fund loans and grants; costs and payments associated with the collapse of private pension schemes; assist people to make plans for their retirement; research into pensions; private pensions industry regulatory work; programmes and new measures to help improve independence and social inclusion for older people; Grants, Grants in Aid, loans, and payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; payments made to the BBC in respect of over 75s free TV licence scheme; General Levy payments to the Pensions Regulator in respect of Public Sector Pension Schemes; and the administration and operating costs of the Department and associated non-cash items.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Assessment of entitlement to, calculation and payment of, social security benefits to people with disabilities and their carers in accordance with the prevailing legislation and regulations; Grants, Grant in Aid, loans, and other payments to private, public and voluntary bodies, including Non-Departmental Public Bodies, promoting Department for Work and Pensions objectives; and the administration and operating costs of the Department and associated non-cash items.

RfR 5: Corporate contracts and support services

Central services; measures to promote financial inclusion; collecting debt arising from overpayments of benefit and on behalf of other public and private sector bodies; payment of Grants to Local Authorities; administration and other operating costs of Directgov; provision of IT, employee and financial services to other public sector bodies; and the administration and operating costs of the Department and associated non-cash items.

The **Department for Work and Pensions** will account for this Estimate.

† The reduction in net resources of £ 132,679,000 on RfR1 is being more than offset by the reallocation of £ 138,679,000 to RfR5.

†† The reduction in net resources of £ 296,006,000 on RfR2 is being more than offset by the reallocation of £ 713,885,000 to RfR5.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years						
		-132,565	114	-132,679		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Child Maintenance and Enforcement Commission	564,811	-132,565	114	-132,679	432,132
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need						
		-136,745	159,261	-296,006		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Administration	2,806,074	-750,308	23,424	-773,732	2,032,342
B	Employment Programmes	1,240,723	-3,557	-	-3,557	1,237,166
C	Health and Safety Executive	222,802	-1,223	6,420	-7,643	215,159
D	Health and Safety Laboratory	1	-577	-577	-	1
F	European Social Fund and European Globalisation Fund	1	102,374	102,374	-	1
G	European Social Fund payments in advance of receipts	-9,103	-27,378	-27,378	-	-9,103
<i>Support for Local Authorities</i>						
J	European Social Fund	1	24,731	24,731	-	1
K	European Social Fund payments in advance of receipts	1	30,267	30,267	-	1
Spending in Annually Managed Expenditure (AME)						
<i>Central Government spending</i>						
M	Severe Disablement Allowance	888,490	-485	-	-485	888,005
N	Industrial injury benefits	843,330	-404	-	-404	842,926

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
O Income support (under 60 years of age)	7,860,806	-4,701	-	-4,701	7,856,105
P Jobseekers allowance (income based)	4,798,293	-1,075	-	-1,075	4,797,218
T Housing benefit and council tax benefit capital charge	3,277	-277	-	-277	3,000
<i>Support for Local Authorities</i>					
X Housing benefit and council tax benefit subsidies	18,136,423	580,000	-	580,000	18,716,423
Y Rent rebates	5,662,259	-90,000	-	-90,000	5,572,259
Non-Budget					
AB Working Age (Grant-in-Aid)	3,700	-806	-	-806	2,894
AC IFRS Adjustments *	-	6,674	-	6,674	6,674
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners					
		45,242	-954	46,196	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	270,516	-111,959	-954	-111,005	159,511
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
C Income support for the elderly and Pension Credit	8,204,028	151,264	-	151,264	8,355,292
Non-Budget					
F Payments to the Social Fund	3,244,623	5,130	-	5,130	3,249,753
G Payments to Executive Non-Departmental Public Bodies	48,508	807	-	807	49,315

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society		134,342	844	133,498	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	235,497	-52,371	844	-53,215	182,282
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
C Attendance allowance	5,094,735	77,771	-	77,771	5,172,506
D Disability living allowance	11,399,265	112,082	-	112,082	11,511,347
E Carer's allowance	1,499,561	-640	-	-640	1,498,921
Non-Budget					
H Disability Grants in Aid	340,188	-2,500	-	-2,500	337,688
RfR 5: Corporate contracts and support services		1,128,279	21,271	1,107,008	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	701,851	263,788	20,778	243,010	944,861
B Directgov	29,572	493	493	-	29,572
C Local Authority Grants	950	135	-	135	1,085
Non-Budget					
D IFRS Adjustments *	-	863,863	-	863,863	863,863
Total for Estimate:		1,038,553	180,536	858,017	

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
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Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
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Total Capital Expenditure	103,834	227,282	331,116
Non-Operating A in A	1,394	-	1,394
Net cash requirement	79,129,373	830,766	79,960,139

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Ensuring the best start for all children and ending child poverty in 20 years								
434,857	-	-	434,857	2,725	432,132	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Child Maintenance and Enforcement Commission								
434,857	-	-	434,857	2,725	432,132	-	-	
RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need								
2,691,890	1,181,738	44,664,206	48,537,834	2,370,900	46,166,934	67,560	370	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
2,402,227	145,961	51,058	2,599,246	566,904	2,032,342	55,574	-	
B Employment Programmes								
-	901,765	335,401	1,237,166	-	1,237,166	-	-	
C Health and Safety Executive								
256,170	57,909	-	314,079	98,920	215,159	10,186	350	
D Health and Safety Laboratory								
33,493	5,468	-	38,961	38,960	1	1,800	20	
E Capital Grants								
-	-	7,000	7,000	-	7,000	-	-	
F European Social Fund and European Globalisation Fund								
-	-	183,626	183,626	183,625	1	-	-	
G European Social Fund payments in advance of receipts								
-	-12,600	219,869	207,269	216,372	-9,103	-	-	
<i>Support for Local Authorities</i>								
H Employment Programmes								
-	-	37,047	37,047	-	37,047	-	-	
I Housing benefit and council tax benefit administration grants								
-	-	578,739	578,739	-	578,739	-	-	
J European Social Fund								
-	-	30,982	30,982	30,981	1	-	-	
K European Social Fund payments in advance of receipts								
-	-	49,018	49,018	49,017	1	-	-	
L Area Based Grants								
-	-	48,000	48,000	-	48,000	-	-	
Spending in Annually Managed Expenditure (AME)								

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
Central Government spending									
M	Severe Disablement Allowance	-	335	887,755	888,090	85	888,005	-	-
N	Industrial injury benefits	-	94	880,792	880,886	37,960	842,926	-	-
O	Income support (under 60 years of age)	-	66,756	7,822,236	7,888,992	32,887	7,856,105	-	-
P	Jobseekers allowance (income based)	-	6,376	4,791,335	4,797,711	493	4,797,218	-	-
Q	Jobseekers allowance (contribution based)	-	-	1,114,697	1,114,697	1,114,696	1	-	-
R	Job Grant	-	-	50,762	50,762	-	50,762	-	-
S	Employment allowances	-	-	90,429	90,429	-	90,429	-	-
T	Housing benefit and council tax benefit capital charge	-	3,000	-	3,000	-	3,000	-	-
U	Employment and Support Allowance non contributory	-	-	1,143,035	1,143,035	-	1,143,035	-	-
V	In Work Credit	-	-	101,619	101,619	-	101,619	-	-
W	Return to Work Credit	-	-	60,122	60,122	-	60,122	-	-
Support for Local Authorities									
X	Housing benefit and council tax benefit subsidies	-	-	18,716,423	18,716,423	-	18,716,423	-	-
Y	Rent rebates	-	-	5,572,259	5,572,259	-	5,572,259	-	-
Z	Discretionary housing payments	-	-	20,000	20,000	-	20,000	-	-
Non-Budget									
AA	Statutory benefits (Statutory Sick Pay and Statutory Maternity Pay)	-	-	1,869,108	1,869,108	-	1,869,108	-	-
AB	Working Age (Grant-in-Aid)	-	-	2,894	2,894	-	2,894	-	-
AC	IFRS Adjustments	-	6,674	-	6,674	-	6,674	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners								
454,878	147,812	12,283,338	12,886,028	390,232	12,495,796	46,515	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
454,878	91,016	3,849	549,743	390,232	159,511	5,979	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Pension benefits								
-	341	82,017	82,358	-	82,358	-	-	
C Income support for the elderly and Pension Credit								
-	2,004	8,353,288	8,355,292	-	8,355,292	-	-	
D TV licences for the over 75s								
-	-	545,116	545,116	-	545,116	-	-	
E Financial Assistance Scheme								
-	54,451	-	54,451	-	54,451	-	-	
Non-Budget								
F Payments to the Social Fund								
-	-	3,249,753	3,249,753	-	3,249,753	-	-	
G Payments to Executive Non-Departmental Public Bodies								
-	-	49,315	49,315	-	49,315	40,536	-	
RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society								
183,164	6,077	18,565,479	18,754,720	32,950	18,721,770	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
183,164	66	-	183,230	948	182,282	-	-	
B Motability administration								
-	-	2,688	2,688	121	2,567	-	-	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C Attendance allowance								
-	695	5,174,640	5,175,335	2,829	5,172,506	-	-	
D Disability living allowance								
-	2,380	11,538,019	11,540,399	29,052	11,511,347	-	-	

Part II: Revised subhead detail including additional provision

£'000

		Resources					Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating	
	1	2	3	4	5	6	7	A in A	8
E	Carer's allowance	-	2,936	1,495,985	1,498,921	-	1,498,921	-	-
F	Vaccine Damage payments	-	-	360	360	-	360	-	-
G	Grants to independent bodies	-	-	16,099	16,099	-	16,099	-	-
Non-Budget									
H	Disability Grants in Aid	-	-	337,688	337,688	-	337,688	-	-
RfR 5: Corporate contracts and support services									
	1,267,094	897,952	11,085	2,176,131	336,750	1,839,381	217,041	1,024	
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration	1,236,558	34,032	10,000	1,280,590	335,729	944,861	192,959	1,024
B	Directgov	30,536	57	-	30,593	1,021	29,572	-	-
C	Local Authority Grants	-	-	1,085	1,085	-	1,085	-	-
Non-Budget									
D	IFRS Adjustments	-	863,863	-	863,863	-	863,863	24,082	-
Total for Estimate:									
	5,031,883	2,233,579	75,524,108	82,789,570	3,133,557	79,656,013	331,116	1,394	

Part II: Resource to cash reconciliation**£'000**

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	78,797,996	858,017	79,656,013
Voted capital items			
Capital	103,834	227,282	331,116
Less Non-operating A-in-A	1,394	-	1,394
Total net voted capital	102,440	227,282	329,722
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	132,912	-34,158	98,754
Depreciation	-247,759	-317,614	-565,373
New provisions and adjustments to previous provisions	-218,474	4,354	-214,120
Profit/loss on sale of assets	1,024	-	1,024
Prior period adjustments	-	-	-
Other non-cash items	-2,261	-739	-3,000
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	500,000	204	500,204
Increase (-) / Decrease (+) in creditors	-	84,679	84,679
Use of provisions	63,495	8,741	72,236
Total accruals to cash adjustments	228,937	-254,533	-25,596
Excess cash to be CFERd	-	-	-
Net Cash Requirement	79,129,373	830,766	79,960,139

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

	2009-10 Provision
Net Administration Costs	
RfR 1	432,132
RfR 2	2,550,548
RfR 3	453,068
RfR 4	182,282
RfR 5	1,182,699
Non-voted	-
Total Net Administration costs	4,800,729
Net Programme Costs	
RfR 1	-
RfR 2	41,747,278
RfR 3	8,792,975
RfR 4	18,539,488
RfR 5	656,682
Non-voted	82,145,713
Total Net Programme costs	151,882,136
Total Net Operating Cost	156,682,865
<i>of which:</i>	
Net Resource Requirement	79,656,013
Non-voted expenditure	82,150,713
Consolidated Fund Extra Receipts	-5,000
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	157,240,841

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	79,656,013
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	82,150,713
Consolidated Fund Extra Receipts in the OCS	-5,000
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-5,118,861
Net Operating Cost (Accounts)	156,682,865
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	1,024
Capital grants	-18,605
European Union income related to capital grants	-
Voted expenditure outside the budget	-870,537
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	5,000
Resource consumption of non departmental public bodies	37,486
Unallocated resource provision	721,184
Other adjustments	682,424
Resource Budget (Budget)	157,240,841
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	8,805,256
Annually Managed Expenditure (AME)	148,435,585

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	329,722
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	808
Capital grants	18,605
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	141,272
Capital Budget (Budget)	490,407
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	284,517
Annually Managed Expenditure (AME)	205,890

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Leigh Lewis, Permanent Head of Department

Request for Resources 2: Leigh Lewis, Permanent Head of Department

Request for Resources 3: Leigh Lewis, Permanent Head of Department

Request for Resources 4: Leigh Lewis, Permanent Head of Department

Request for Resources 5: Leigh Lewis, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Ensuring the best start for all children and ending child poverty in 20 years

Administration	2,725
<i>of which:</i>	
Sale of goods and services	2,725
Other income (including receipts)	-
Total RfR 1	2,725†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from staff for private telephone calls and the private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from applicants for services provided by the Child Maintenance and Enforcement Commission; receipts from the repayment of maintenance by non-resident parents, where the parent with care is in receipt of income support, reduced by the child maintenance premium paid directly to the parent with care; receipts awarded from court cases; and services carried out on behalf of public and private sector bodies and members of the public.

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Administration	141,342
<i>of which:</i>	
Sale of goods and services	141,342
Other income (including receipts)	-
Programme	2,229,558
<i>of which:</i>	
Sale of goods and services	634,867
EU Income	479,995
Other income (including receipts)	1,114,696
Total RfR 2	2,370,900†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; receipts from staff for private telephone calls and private use of official vehicles; receipts in respect of outward secondments; receipts from the sale of non-capital items; receipts from match funded projects; receipts from Local Authorities for services provided to them 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; Receipts from Working Links; Working Links management fee and dividend; receipts from the European Union for travel expenses and subsistence allowances incurred by staff on European Union business; receipts from partner organisations in respect of action teams; receipts from damages payable to recipients of Statutory Sick Pay; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the Child Maintenance and Enforcement Commission in respect of maintenance payments from absent parents for parents with care who are in receipt of Income Support or Jobseekers Allowance (income based); receipts in respect of the functions of the Health and Safety Executive and Health and Safety Laboratory; receipts for the use of accommodation and rental income; receipts from property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out; receipts from the European Union to meet payments to Local Authorities and non-exchequer bodies for education and training and employment projects training assisted by the European Social Fund; receipts from the European Union for the provision of technical assistance to deliver European Social Fund programmes; receipts from the European Globalisation Fund; Joint International Unit administration receipts; National Employment Panel receipts; services carried out on behalf of public and private sector bodies and members of the public; proceeds from crime from Home Office in respect of benefit fraud and organised fraud; recovery from the European Union of the cost of work on European Employment Services and work undertaken on labour market issues in eastern Europe; recovery of excess payments made on Jobcentre Plus employment measures; recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales; payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work; payments made by liable relatives; payments from other government departments; amounts collected through a court order or on a voluntary basis from relatives of income support claimants; repayment of Jobseekers Allowance (contribution based) from the National Insurance Fund;

contributions and recoveries from the European Union of costs of research and projects, legal claims, including awards of court costs and out of court settlements; contribution from Scotland and Wales towards employment programmes and Employment Zones; refunds of advance of salaries of staff, and repayment of loans; and refunds from Local Authorities of Housing Benefit reform Funding.

RfR 3: Combat poverty and promote security and independence in retirement for today's and tomorrow's pensioners

Administration	1,810
<i>of which:</i>	
Sale of goods and services	1,810
Other income (including receipts)	-
Programme	388,422
<i>of which:</i>	
Sale of goods and services	364,730
Other income (including receipts)	23,692
Total RfR 3	390,232†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated costs of administering National Insurance benefits, receipts in respect of outward secondments; receipts for levy funded bodies; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the sale of non-capital items; and services carried out on behalf of public and private sector bodies and members of the public.

RfR 4: Improve the rights and opportunities for disabled people in a fair and inclusive society

Administration	882
<i>of which:</i>	
Sale of goods and services	882
Other income (including receipts)	-
Programme	32,068
<i>of which:</i>	
Sale of goods and services	32,068
Other income (including receipts)	-
Total RfR 4	32,950†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts via Compensation Recovery Unit in respect of benefits paid in lieu; receipts from the sale of non-capital items; services carried out on behalf of public and private sector bodies and members of the public; recoveries of payments towards Motability costs.

RfR 5: Corporate contracts and support services

Administration	84,395
<i>of which:</i>	
Sale of goods and services	84,395
Other income (including receipts)	-
Programme	252,355
<i>of which:</i>	
Sale of goods and services	252,353
Interest and dividends	2
Other income (including receipts)	-
Total RfR 5	336,750†

† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits; receipts in respect of outward secondments; receipts from staff for private telephone calls and the private use of official vehicles; receipts from sub-let accommodation; receipts from sale of non-capital items; Early Departures pre-funding interest; services carried out on behalf of public and private sector bodies and members of the public including the provision of IT, employee and financial services to other Government Departments; recovery of law costs from defendants.

Total Operating A in A	3,133,557
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 2: Promote work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need

Programme	370
<i>of which:</i>	
Sale of assets	370
Other income (including receipts)	-

Total RfR 2 **370†**

† Amount that may be applied as non-operating appropriations in aid, arising from: receipts from the sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

RfR 5: Corporate contracts and support services

Programme	1,024
<i>of which:</i>	
Sale of assets	1,024
Other income (including receipts)	-

Total RfR 5 **1,024†**

† Amount that may be applied as non-operating appropriations in aid, arising from: receipts from sales of obsolete machinery, equipment, official vehicles, furniture and fittings.

Total Non-Operating A in A **1,394**

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	-838,686	671,843	5,880,783	2,924,473	8,805,256
<i>of which: †</i>					
Administration budget	-842,936	682,424	4,800,729	1,403,608	6,204,337
Near-cash in RDEL	-918,863	680,653	5,619,053	2,957,899	8,576,952
Capital DEL ††	207,828	-66	283,709	808	284,517
Less Depreciation †††	-68,076	329	-234,194	-1,105	-235,299
Total DEL	-698,934	672,106	5,930,298	2,924,176	8,854,474

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	3,134,951

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

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

RfR/Section	Service	£'000
RfR3	Better Government for Older People	72
RfR3	Older People's Advisory Groups	100
RfR3	Change AGEnts	168

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have fully adopted IFRS since the last publication of our Main Supply Estimates, and these standards take effect from 1 April 2009. The adoption of the IFRS has led to some alteration in DWP's budgets, as set out in the Introduction.

Notes to the Estimate (*continued*)

Grants in aid

RfR/Section	Body	£'000
RfR2	Working Ventures (UK) Limited ♥	2,894
RfR3	The Pensions Regulator ♥	41,075
RfR3	The Pensions Advisory Service ♥	3,606
RfR3	Office of the Pensions Ombudsman ♥	2,926
RfR3	Personal Accounts Delivery Authority ♥	1,708
RfR4	Independent Living Fund ♥	337,688
	Total	<hr/> 389,897

Notes to the Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Remploy Limited	
<p>The Secretary of State for Work and Pensions has given formal guarantee in respect of Remploy Limited, an Executive Non-Departmental Public Body. In the event of Remploy Limited becoming insolvent, the Secretary of State has agreed to pay Remploy Limited a sum equal to any and all of its remaining debts i.e the excess of its liabilities over and above the proceeds from realisation of its assets.</p> <p>In addition to this guarantee over Remploy's net liabilities the Department also guarantees to cover any shortfall in its pension provision. As at 31 March 2008, the net current liabilities of Remploy were £2.0 million with the retirement benefits obligation amounting to £113.8 million.</p>	115,800
Better Government for Older People (BGOP)	
<p>This is an agreement between the Department and the Centre for Policy on Ageing (CPA) to support BGOP in carrying out the functions in their business plan. In addition to the funding the Department provides, we have also agreed to indemnify CPA, the host organisation, against any losses arising from BGOP activity to the sum of £1m in any one year and, as the 'Consortium Agreement' year runs from October to September, £2 million in totality. In addition, the Department is indemnifying CPA who took over the hosting from Help the Aged. CPA are seeking to bring a claim of £180,000 against the Department under the agreement.</p>	2,180
ESF Repayments	
<p>As Managing Authority of the European Social Fund in England the Department has a potential liability in respect of ineligible claims for ESF programmes which operated during 2000-06. A provision for impairment of £38 million is also included in the accounts against additional liabilities which could arise as a direct result of closing the 2000-06 ESF programme. The ESF Audit Authority is required to produce a closure statement for each ESF programme. There is a risk that adverse opinions could result in the European Commission imposing financial corrections. There is also a likelihood of the European Commission imposing financial corrections where ESF has been paid in excess of agreed intervention rates. Because of the complexity of EU regulations governing ESF and the right of the European Commission and European Court of Auditors to carry out audits on the 2000-06 ESF programme in future years there is a possibility that unforeseen ineligible ESF expenditure could be detected which cannot be recovered by DWP.</p> <p>The risk and likely amount of any unforeseen future liabilities cannot be assessed with any degree of certainty.</p> <p>DWP is responsible for managing the entirety of the European Social Fund in England. However DWP also has Co-Financing Status which enables Jobcentre Plus to add value or fund additional places to domestically funded projects. Grant claims are submitted through a local Government Office who have delegated authority to manage the ESF programme at regional level. The grant is based on payments to contracted providers which cannot always be fully recovered. Shortfalls arise if a grant cannot be claimed on expenditure incurred. If this expenditure cannot be recovered from the provider, the shortfall is met by the Department. Because of the timescales involved for deriving any such shortfalls, at the time of producing these accounts, specific amounts cannot be ascertained.</p>	Unquantifiable

Financial Assistance Scheme

Unquantifiable

In December 2007, the Government announced its intention for the Financial Assistance Scheme (FAS) to take over payments of some fully funded pensions and other associated benefits in qualifying schemes and in return, to take the assets of those pension schemes into Government (the FAS Review of Assets, completed in December 2007, estimated the value of these assets to be £1.7 billion).

Regulations to give effect to this are planned for Winter 2009. As a result, the liabilities associated with the Financial Assistance Scheme will increase.

The assets referred to in this note (i.e. the £1.7 billion) are not noted as contingent assets since the assets when received will not be included in our resource accounts. Rather they will be accounted for in a separate trust statement as we are managing the assets on behalf of wider government (when they are in cash form the Department will be surrendering these to the HMT Consolidated Fund).

Health and Safety Executive

Unquantifiable

HSE is currently defending two equal pay cases (Cadman and Wilson). In October 2003, HSE successfully appealed to the Employment Appeal Tribunal against an Employment Tribunal decision in the case of Cadman handed down in July 2002. That appeal was subject to cross appeal and in October 2004 the Court of Appeal referred a point of law to the European Court of Justice (ECJ). The ECJ judgement was handed down in October 2006, following which the Court of Appeal remitted the case back to the Employment Tribunal for a rehearing. No date has yet been fixed for Cadman to be reheard.

Meanwhile, the 'sister' case of Wilson which had been stayed before the Employment Appeal Tribunal (EAT) pending the outcome of the Cadman case in the ECJ was remitted to the Employment Tribunal sitting at Shrewsbury. The Employment Tribunal applying the ECJ decision in the Cadman case found in HSE's favour. Mrs Wilson appealed to the Employment Appeal Tribunal and the EAT found in favour of the appellant.

As this has implications for other departments and agencies, HSE lodged a 'protective' appeal to allow for cross-Whitehall consideration. Mrs Wilson has subsequently filed a cross appeal. The Court of Appeal considered the case on 17-19 June 2009 and the Court's decision is awaited.

Vaccine Damage Payments

Unquantifiable

Important changes to the Vaccine Damage Payments Scheme have been introduced. The level of disablement that is defined as severe has been reduced from 80% to 60% and the period of time during which a claim can be made has been extended.

These changes mean that some people who have been disallowed in the past may be able to make another claim under these new rules. These further claims had to be received by 16 June 2005. All of the 389 claims received by this deadline were rejected. As they carry appeal rights there is no time limit for requesting a Vaccine Damage Appeal and it can be 10 years or more before they decide to go ahead.

It is not currently possible to estimate the value or success of these claims and so no provision has been made in these accounts.

Deficiency Notices

Unquantifiable

Each tax year, an exercise is performed to identify customers who have not paid, or been credited with, enough National Insurance contributions to provide entitlement towards State Pension for that year. Those customers of working age who are affected are issued with an invitation (Deficiency Notice), by Her Majesty's Revenue and Customs, to pay contributions on a voluntary basis in order to make up any deficiency. Deficiency Notices were not sent out for the tax years 1996-97 to 2001-02.

Between April 2007 and March 2009, The Pension Service contacted pensioner customers affected by the suspension of deficiency notices. Customers who reached State Pension age between 6 April 1998 and 24 October 2004 (inclusive) were invited to consider paying voluntary contributions to provide them with the opportunity to improve their basic State Pension or qualify for one for the first time.

As at 31 March 2009, State Pension arrears of £87.8 million had been paid out in relation to the pensioner exercise, plus interest of £7.6 million.

Employee Assistance Programme

Unquantifiable

The Department has a potential liability in respect of tax on 'legal advice' provided by the Employee Assistance Programme (EAP). This potential liability has arisen as a result of a Statutory Instrument introduced in August 2000. Although 'legal advice' forms a small part of the EAP services the rules state that where any part of an EAP service provides 'legal advice' the whole of that service is liable for tax.

The Employee Assistance Professional Association are challenging the HMRC policy and interpretation of 'legal advice' on the basis that it provides clear employer benefit as it is an essential part of the employer's resources for maintaining the well being of its employees. The Department has entered into discussions with HMRC. It is currently not possible to estimate the value of this liability so no provision has been made in these accounts.

Transfer of State Pensions and Benefits

2,316

The Transfer of State Pensions and Benefits Regulations 2007 allow for a person's rights which have accrued by virtue of National Insurance contributions to be transferred to the pension scheme for officials and servants of Community institutions and a transfer payment made accordingly by the Department.

There are a number of cases in progress where transfer value have been issued but for which a payment has yet to be made. Consequently, a provision of £2.316 million has been recognised in the accounts (see Note 28c).

Employment Programmes

Unquantifiable

Judicial review of geographic boundary issues may result in DWP needing to contribute an additional amount to Communities and Local Government to support the Working Neighbourhood Fund. The additional amount will not be known until the process is complete.

Lump sum compensation payments in respect of pneumoconiosis and certain other dust related diseases. Unquantifiable

The Department was accountable for lump sum compensation payments in relation to pneumoconiosis and certain other dust related diseases. Compensation payments due under the Pneumoconiosis etc. (Workers' Compensation) Act 1979 are made through the Workers' Pneumoconiosis Compensation Payments Scheme. This scheme compensates those suffering from certain dust diseases where, at the time of submitting their claim to the scheme, they are unable to claim compensation by way of civil action in the courts. Award of Industrial Injuries Disablement Benefit (IIDB) is a precondition for payments to all sufferers and most dependants under this scheme.

Compensation payments due under the Child Maintenance and Other Payments Act 2008 are made through the Mesothelioma Scheme (2008). This scheme was introduced on the 1 October 2008 and compensates sufferers from mesothelioma who are not eligible for help from the Workers' Pneumoconiosis Compensation Payments Scheme. Payments made under this scheme are financed by recovery from civil damages paid to sufferers claiming under both schemes, and the expectation is that the net cost of this scheme to the Department will be nil. The diseases covered by both schemes have a long latency period which makes the number of years over which claims will continue to be made unclear. No reliable estimate of the financial effect can therefore be given.

European Court Exportability Judgement – Disability Benefits Unquantifiable

A decision made on 18 October 2007 by the European Court of Justice means that certain UK disability benefits are to be considered to be sickness benefits and consequently will be paid to some people who leave the UK to live in another European Economic Area (EEA) state or Switzerland providing they meet certain eligibility criteria.

These cases are currently being assessed but at present a reliable estimate cannot be made of the potential cost, so a contingent liability has been noted.

Government Equalities Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.			
<u>Section</u>	<u>Reason for Change</u>		
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
A1,A2	Administration and Programme, Near cash Increase in Administration budget equivalent to decrease in Programme budget.	1,600,000	-1,600,000
A2	Programme, Near Cash Grant from Equalities Programme to Private Sector - NPISH		-1,000,000
C3	Grants, Near Cash Grant to Private Sector - NPISH from Equalities Programme	1,000,000	
<u>Transfers to/from non-voted spending</u>			
A2,B3	Programme, Near Cash, Grants, Near Cash Transfer to Equalities Programme Voted from the Commission for Equality and Human Rights, Non Voted.	3,000,000	-3,000,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A2,A5	Programme, Near Cash Increase in gross expenditure on the Equalities Programme offset by increased appropriations-in-aid equivalent.	21,000	-21,000
<u>Token increase</u>			
A2	Programme, Near cash Token increase to enable presentation of Estimate	1,000	
<u>Totals</u>		5,622,000	-5,621,000
Total RfR 1			1,000
Total change in resources for Estimate:			1,000

2. As a result of the above and associated non-cash adjustments, there is an increase in the net cash requirement of £1,000

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

Government Equalities Office

Part I

	£
Request for Resources 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	1,000

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

RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.

Work on gender and wider equalities policy, grant in aid to the Commission for Equality and Human Rights (CEHR); grants and payments associated with gender and wider equality policy; programme expenditure on the Women's National Commission; the administration costs of the Government Equalities Office; and other associated non-cash costs.

The **Government Equalities Office** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.					
		22	21	1	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	14,805	2,022	21	2,001	16,806
Non-Budget					
B Payments to NDPBs	71,000	-3,000	-	-3,000	68,000
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
C Grants to private sector and charities	-	1,000	-	1,000	1,000
Total for Estimate:		22	21	1	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	85,804	1	85,805

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.								
9,605	7,251	69,000	85,856	50	85,806	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration	9,605	7,251	-	16,856	50	16,806	-	
Non-Budget								
B Payments to NDPBs	-	-	68,000	68,000	-	68,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
C Grants to private sector and charities	-	-	1,000	1,000	-	1,000	-	
Total for Estimate:								
9,605	7,251	69,000	85,856	50	85,806	-	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	85,805	1	85,806
Voted capital items			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1	-	-1
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1	-	-1
Excess cash to be CFERd	-	-	-
Net Cash Requirement	85,804	1	85,805

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	9,605
Total Net Administration costs	9,605

Net Programme Costs

RfR 1	71,201
Non-voted	-
Total Net Programme costs	71,201

Total Net Operating Cost**80,806***of which:*

Net Resource Requirement	85,806
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-5,000

Resource Budget**78,766**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	85,806
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-5,000
Other adjustments	-
Net Operating Cost (Accounts)	80,806
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-2,040
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	78,766
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	78,766
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	-
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	1,980
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	1,980
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,980
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Jonathan Rees, Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential.

Programme	50
<i>of which:</i>	
Sale of goods and services	50

Total RfR 1	50†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from services provided by the Women's National Commission.

Total Operating A in A	50
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	3,001	-3,000	17,806	60,960	78,766
<i>of which: †</i>					
Administration budget	1,600	-	9,605	-	9,605
Near-cash in RDEL	3,001	-3,000	17,805	60,651	78,456
Capital DEL ††	-	-5,020	-	1,980	1,980
Less Depreciation †††	-	-	-	-564	-564
Total DEL	3,001	-8,020	17,806	62,376	80,182

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	50

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

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

RfR/Section	Service	£'000
RFR1 A2	English Regions Equality Network	42
RFR1 A2	National Equality Panel	180

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

RfR/Section	Body	£'000
RfR1 B3	Commission for Equality and Human Rights ♥	68,000

Northern Ireland Office

Introduction

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

Amount (£)
Increases Reductions

Changes in resources

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

T3	New Central Administration AME line for Broadly By-Analogy Pension Scheme	230,000	
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Other changes

Resource transfers within the Request for Resources

C1, A1	Reallocation of Administration costs to Political Directorate from Central Administration	5,385,000	-5,385,000
L1, B1	Reallocation of Administration costs to Bloody Sunday from Ministers	104,000	-104,000
C1, B1	Reallocation of Administration costs to Political Directorate from Ministers	109,000	-109,000
C1, F1	Reallocation of Administration costs to Political Directorate from Criminal Justice	135,000	-135,000
C2, A2	Reallocation of Other Current resources to Political Directorate from Central Administration	2,201,000	-2,201,000
K2, A2	Reallocation of Other Current resources to Youth Justice Agency from Central Administration	4,401,000	-4,401,000
L2, A2	Reallocation of Other Current resources to Bloody Sunday from Central Administration	2,450,000	-2,450,000
F2, A2	Reallocation of Other Current resources to Criminal Justice from Central Administration	1,047,000	-1,047,000
F3, G3	Reallocation to Criminal Justice Grants from Compensation Agency Grants	108,000	-108,000
F3, A2	Reallocation of Central Administration - Other Current Resources to Criminal Justice Grants	229,000	-229,000
H3, A2	Reallocation of Central Administration - Other Current Resources to Policing and Security Grants	179,000	-179,000
J2, J3	Reallocation of Northern Ireland Prison Service Grants to Northern Ireland Prison Service - Other Current Resources	1,000	-1,000

Transfers to/from non-voted spending

A2	Transfer from Central Administration - other current resources to non-voted resource spend		-884,000
D2	Transfer from Public Prosecution Service - other current resources to non-voted resource spend		-7,000
G2	Transfer from Compensation Agency - other current resources to non-voted resource spend		-1,291,000
H2	Transfer from Policing & Security - other current resources to non-voted resource spend		-1,065,000
F5	Transfer from Criminal Justice - A in A to non-voted resource spend		-514,000
H5	Transfer from Policing & Security - A in A to non-voted resource spend		-3,512,000
K5	Transfer from Youth Justice Agency - A in A to non-voted resource spend		-13,000

Increases in non-budget spending

M3	Police - increase in cash grant	8,002,000	
N3	Police Pensions - increase in cash grant	29,013,000	
O3	Police Ombudsman for Northern Ireland - increase in cash grant	1,613,000	
P3	Probation Board for Northern Ireland - increase in cash grant	2,520,000	
Q3	Northern Ireland Policing Board - increase in cash grant	416,000	
R3	Northern Ireland Human Rights Commission - increase in cash grant	10,000	
S3	Criminal Justice Inspectorate - increase in cash grant	4,000	

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

J1, J5	Increase in Administration costs for Northern Ireland Prison Service offset by an increase in Administration receipts for Northern Ireland Prison Service	139,000	-139,000
C1, A5	Increase in Administration costs for Political Directorate offset by an increase in Administration receipts for Central Administration	30,000	-30,000
C1, H5	Increase in Administration costs for Political Directorate offset by an increase in Administration receipts for Policing and Security	1,000	-1,000
H1, H5	Increase in Administration costs for Policing and Security offset by an increase in Administration receipts for Policing and Security	2,000	-2,000
J2, J5	Increase in Other Current resources for Northern Ireland Prison Service offset by an increase in Programme receipts for Northern Ireland Prison Service	2,007,000	-2,007,000
E5, E2	Decrease in Other Current resources for Forensic Science Northern Ireland offset by an decrease in Programme receipts for Forensic Science Northern Ireland	1,139,000	-1,139,000
C5, H5	Reallocation of Administration Receipts from Political Directorate to Policing & Security	7,000	-7,000
C5, G5	Reallocation of Programme Receipts from Political Directorate to Compensation Agency	31,000	-31,000
D5, G5	Reallocation of Programme Receipts from Public Prosecution Service to Compensation Agency	7,000	-7,000
E5, G5	Reallocation of Programme Receipts from Forensic Science Northern Ireland to Compensation Agency	52,000	-52,000

E5, K5	Reallocation of Programme Receipts from Forensic Science Northern Ireland to Youth Justice Agency	107,000	-107,000
Totals		61,679,000	-27,157,000
Total RfR 1		34,522,000	
Total change in resources for Estimate:		34,522,000	

Changes in capitalSection Reason for Change

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Other changesTransfers to/from non-voted spending

A8	Transfer from Central Administration Non Operating A in A to non voted capital spend		-1,654,000
A7	Transfer from Central Administration Capital to non voted capital spend		-585,000
C7	Transfer from Political Capital to non voted capital spend		-10,000
J7	Transfer from Northern Ireland Prison Service Capital to non voted capital spend		-524,000

Transfers within the Estimate

G7	Increase capital requirement for Compensation Agency	160,000	
J7	Decrease capital requirement for Northern Ireland Prison Service		-160,000
D7	Increase capital requirement for Public Prosecution Service	489,000	
J7	Decrease capital requirement for Northern Ireland Prison Service		-489,000
G7	Increase capital requirement for Compensation Agency	790,000	
F7	Decrease capital requirement for Criminal Justice		-790,000
K7	Increase capital requirement for Youth Justice Agency	490,000	
J7	Decrease capital requirement for Northern Ireland Prison Service		-490,000

Totals	1,929,000	-4,702,000
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Total RfR 1	-2,773,000
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Total changes in capital for Estimate:	-2,773,000
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- As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £64,746,000.
- Symbols are explained in the Introduction to this booklet.

Northern Ireland Office

Part I

	£
Request for Resources 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending	34,522,000
Total additional net resource requirement	34,522,000
Additional net cash requirement	64,746,000

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

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Expenditure on (including all associated non-cash items):

Head of State related costs and VIP visits to NI, Reviews and Commissions arising from the Good Friday Agreement (incl NI Human Rights Commission), political development & inquiries, victims and legacy issues of the Troubles and the Bloody Sunday Inquiry, costs arising from elections.

Criminal Justice including juvenile justice services, probation & aftercare, state pathology, forensic services, programmes to enhance community safety and services related to crime, crown prosecutions, other legal services and the Northern Ireland Law Commission, compensation schemes.

Policing and security including the Police Service of Northern Ireland, policing non-severance, police pensions, Police Ombudsman for Northern Ireland, Northern Ireland Policing Board, payments to associated bodies promoting policing and security issues, ACCESS NI.

Prisons including the Prison Service Trust and the Prisoner Ombudsman.

Central administrative services, costs of the Northern Ireland Act 1998 and the Northern Ireland Act 2000.

European Union peace and reconciliation projects and certain other grants.

RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.

Grants to the Northern Ireland Consolidated Fund and transfers of EU funds.

The Northern Ireland Office will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision	
RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending						
		39,601	5,079	34,522		
Spending in Departmental Expenditure Limits (DEL)						
<i>Central Government spending</i>						
A	Central Administration	47,267	-16,776	30	-16,806	30,461
B	Ministers	2,949	-213	-	-213	2,736
C	Political Directorate	13,653	7,861	-38	7,899	21,552
D	Department of the Director of Public Prosecutions	31,258	-7	-7	-	31,258
E	Forensic Science Northern Ireland	1,589	-1,139	-1,298	159	1,748
F	Criminal Justice	21,515	1,249	514	735	22,250
G	Compensation Agency	13,037	-1,399	90	-1,489	11,548
H	Policing & Security	17,838	-884	3,522	-4,406	13,432
J	Northern Ireland Prison Service	131,383	2,146	2,146	-	131,383
K	Youth Justice Agency	17,465	4,401	120	4,281	21,746
L	Bloody Sunday	100	2,554	-	2,554	2,654
Non-Budget						
M	Police	780,756	8,002	-	8,002	788,758
N	Police Pensions	94,194	29,013	-	29,013	123,207
O	Police Ombudsman for Northern Ireland	7,706	1,613	-	1,613	9,319

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
P Probation Board for Northern Ireland	14,186	2,520	-	2,520	16,706
Q Northern Ireland Policing Board	8,341	416	-	416	8,757
R Northern Ireland Human Rights Commission	1,547	10	-	10	1,557
S Criminal Justice Inspectorate	1,487	4	-	4	1,491
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
T Central Administration	-	230	-	230	230
Total for Estimate:		39,601	5,079	34,522	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	27,011	-1,119	25,892
Non-Operating A in A	-	1,654	1,654
Net cash requirement	13,501,688	64,746	13,566,434

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: 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								
77,775	218,541	967,528	1,263,844	20,951	1,242,893	25,892	1,654	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Central Administration							
	32,473	1,306	-	33,779	3,318	30,461	4,280	1,654
B	Ministers							
	2,736	-	-	2,736	-	2,736	-	-
C	Political Directorate							
	13,974	7,877	-	21,851	299	21,552	70	-
D	Department of the Director of Public Prosecutions							
	2,520	28,817	-	31,337	79	31,258	799	-
E	Forensic Science Northern Ireland							
	-	11,361	-	11,361	9,613	1,748	472	-
F	Criminal Justice							
	5,144	14,133	3,487	22,764	514	22,250	960	-
G	Compensation Agency							
	-	2,425	9,423	11,848	300	11,548	1,010	-
H	Policing & Security							
	5,550	9,860	2,354	17,764	4,332	13,432	54	-
I	Policing-Non Severance							
	-	150	1,950	2,100	-	2,100	-	-
J	Northern Ireland Prison Service							
	15,274	118,166	289	133,729	2,346	131,383	17,557	-
K	Youth Justice Agency							
	-	21,896	-	21,896	150	21,746	690	-
L	Bloody Sunday							
	104	2,550	-	2,654	-	2,654	-	-
Non-Budget								
M	Police							
	-	-	788,758	788,758	-	788,758	-	-
N	Police Pensions							
	-	-	123,207	123,207	-	123,207	-	-
O	Police Ombudsman for Northern Ireland							
	-	-	9,319	9,319	-	9,319	-	-

Part II: Revised subhead detail including additional provision

£'000

		Resources						Capital		
	Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating		
	1	2	3	4	5	6	7	A in A		
								8		
P	Probation Board for Northern Ireland	-	-	16,706	16,706	-	16,706	-	-	
Q	Northern Ireland Policing Board	-	-	8,757	8,757	-	8,757	-	-	
R	Northern Ireland Human Rights Commission	-	-	1,557	1,557	-	1,557	-	-	
S	Criminal Justice Inspectorate	-	-	1,491	1,491	-	1,491	-	-	
Spending in Annually Managed Expenditure (AME)										
<i>Central Government spending</i>										
T	Central Administration	-	-	230	230	-	230	-	-	
RfR 2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 and the Northern Ireland Act 2000.										
		-	-	12,261,001	12,261,001	-	12,261,001	-	-	
Non-Budget										
A	Grants to the Northern Ireland Consolidated Fund	-	-	12,261,000	12,261,000	-	12,261,000	-	-	
B	European Institutions (Net)	-	-	1	1	-	1	-	-	
Total for Estimate:										
		77,775	218,541	13,228,529	13,524,845	20,951	13,503,894	25,892	1,654	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	13,469,372	34,522	13,503,894
Voted capital items			
Capital	27,011	-1,119	25,892
Less Non-operating A-in-A	-	1,654	1,654
Total net voted capital	27,011	-2,773	24,238
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-11,069	-11,069
Depreciation	-37,888	18,639	-19,249
New provisions and adjustments to previous provisions	-9,531	-3,815	-13,346
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-498	-498
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	30,000	30,000
Increase (-) / Decrease (+) in creditors	-	1,592	1,592
Use of provisions	52,724	-1,852	50,872
Total accruals to cash adjustments	5,305	32,997	38,302
Excess cash to be CFERd	-	-	-
Net Cash Requirement	13,501,688	64,746	13,566,434

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	73,926
RfR 2	-
Total Net Administration costs	73,926

Net Programme Costs

RfR 1	1,168,967
RfR 2	12,261,001
Non-voted	-
Total Net Programme costs	13,429,968

Total Net Operating Cost**13,503,894***of which:*

Net Resource Requirement	13,503,894
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**1,478,237**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision
Net Resource Requirement (Estimates)	13,503,894
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	13,503,894
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-12,261,001
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	232,344
Unallocated resource provision	-
Other adjustments	3,000
Resource Budget (Budget)	1,478,237
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,189,462
Annually Managed Expenditure (AME)	288,775

Reconciliation of capital expenditure between Estimates and Budgets

£'000

	2009-10 Provision
Net Voted Capital (Estimates)	24,238
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	52,465
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	76,703
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	76,703
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

Request for Resources 2: Sir Jonathan Phillips, Permanent Secretary of the Northern Ireland Office

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Administration	3,849
<i>of which:</i>	
Sale of goods and services	3,849
Programme	17,102
<i>of which:</i>	
Sale of goods and services	17,102

Total RfR 1	20,951†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Recoupment of electoral expenses, receipts from the use of video conferencing facilities, certain pension contributions, receipts from accruing superannuation liability charges, fees and costs recovered or received for work done for other departments, freedom of information receipts, data protection act receipts, recovery of compensation paid, recoupment of grant funding, recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the crown, receipts arising from arms decommissioning, receipts arising from firearms licences, proceeds of prison occupational services, contributions to community programmes from health and voluntary sectors, tuck shop receipts, receipts from providing criminal history checks and fees & costs recovered or received for the use of the NIO estate.

Total Operating A in A	20,951
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the UK Government; supporting and developing an efficient, effective and responsive Criminal Justice System; upholding and sustaining the rule of law and preventing crime; maintaining a secure and humane prison service and reducing the risks of re-offending

Programme	1,654
<i>of which:</i>	
Sale of assets	1,654

Total RfR 1	1,654†
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† Amount that may be applied as non-operating appropriations in aid, arising from: Receipts from the sale of residential properties, surplus IT, office equipment, catering equipment and surplus stores.

Total Non-Operating A in A	1,654
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change			New DEL	
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-7,286	10,286	292,868	896,594	1,189,462
<i>of which: †</i>					
Administration budget	-	-	73,926	-	73,926
Near-cash in RDEL	-3,799	6,799	248,936	720,179	969,115
Capital DEL ††	-2,773	2,773	24,238	52,465	76,703
Less Depreciation †††	18,639	19,616	-19,249	-41,174	-60,423
Total DEL	8,580	32,675	297,857	907,885	1,205,742

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	22,605

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

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

RfR/Section	Service	£'000
RfR1 - Section J	Prison Service Trust	289

HM Treasury

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
A	Take up of Administration Budget EYF to fund increased workload arising from financial stability measures	15,000,000	
<u>Take up of Departmental Unallocated Provision</u>			
A	Take up of Administration Budget DUP to fund financial stability workload pressures	1,531,000	
A	Take up of programme DUP to fund spending on the Money Guidance project and financial stability related pressures	2,100,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
E	New section to provide for an increase in respect of employee benefits reflecting the adoption of IFRS	2,188,000	
<u>Other changes</u>			
<u>Resource transfers to/from another Request for Resources</u>			
A	Transfer from RfR 2 of programme DEL to help fund spending on the Money Guidance project and financial stability workload pressures	2,000,000	
<u>Totals</u>		22,819,000	-
Total RfR 1		22,819,000	

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Section Reason for Change

Other changes

Resource transfers to/from another Request for Resources

A	Transfer to RfR 1 of a forecast underspend on the manufacturing costs of coinage production	-2,000,000
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<u>Totals</u>	-	-2,000,000
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Total RfR 2		-2,000,000
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Total change in resources for Estimate:		20,819,000
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Changes in capital

Section Reason for Change

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

D	Increase to reflect payments to RBS of £12,500,000,000 and Lloyds of £5,900,000,000 following conclusion of the APS discussions	18,400,000,000
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Other changes

Reductions

A reduction in forecast spending by Infrastructure Finance Unit Limited	-625,000,000
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<u>Totals</u>	18,400,000,000	-625,000,000
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Total RfR 3		17,775,000,000
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Total changes in capital for Estimate:		17,775,000,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £17,795,819,000

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

HM Treasury

Part I

	£
Request for Resources 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all †	22,819,000
Request for Resources 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage †	-2,000,000
Total additional net resource requirement	20,819,000
Additional net cash requirement	17,795,819,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the HM Treasury on:

RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all

Economic, financial and related administration, including group shared services; expenses in connection with honours and dignities; expenditure of the Debt Management Office, including administration of the Public Works Loan Board, the Commission for the Reduction of National Debt and operational services for HM Treasury, other government departments and the Bank of England; administration and other related expenditure of the Office of Government Commerce, including management and disposal of the surplus civil estate and cost of capital charges on the investment in Buying Solutions; expenditure on a pilot scheme in connection with the provision of generic financial advice; payments under an indemnity guarantee in respect of Paymaster; expenditure on administration of Treasury related bodies; compensation payments arising from gilt administration; cost of capital charges on the Treasury's investment in the Bank of England; payments to other government departments; and associated non-cash items.

RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage

Manufacture, storage and distribution of coinage for use in the United Kingdom, actions to protect the integrity of coinage, and associated non-cash items.

RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers

Payments in respect of costs related to investment in and financial assistance to financial institutions; operational costs in respect of UK Financial Investments Limited and the Asset Protection Scheme; and associated non-cash items

The **HM Treasury** will account for this Estimate.

† The reduction in net resources of £ 2,000,000 in RfR2 is offset by a reallocation of resources to RfR1.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all					
		22,819	-	22,819	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Core Treasury and group shared services	130,409	20,631	-	20,631	151,040
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
E Employee Benefits (IFRS)	-	2,188	-	2,188	2,188
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage					
		-2,000	-	-2,000	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A UK coinage: manufacturing costs	20,000	-2,000	-	-2,000	18,000
Total for Estimate:		20,819	-	20,819	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	34,502,800	17,775,000	52,277,800
Non-Operating A in A	-	-	-
Net cash requirement	35,248,862	17,795,819	53,044,681

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all								
	191,071	15,621	161,300	367,992	19,376	348,616	4,800	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Core Treasury and group shared services							
	151,183	9,275	-	160,458	9,418	151,040	3,800	-
B	Debt Management Office							
	12,253	3,000	-	15,253	4,858	10,395	1,000	-
C	Office of Government Commerce							
	27,635	1,158	1,300	30,093	5,100	24,993	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
D	Investment in Bank of England							
	-	-	160,000	160,000	-	160,000	-	-
<i>Central Government spending</i>								
E	Employee Benefits (IFRS)							
	-	2,188	-	2,188	-	2,188	-	-
RfR 2: Cost-effective management of the supply of coins and actions to protect the integrity of coinage								
	-	47,700	2,800	50,500	-	50,500	-	-
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	UK coinage: manufacturing costs							
	-	18,000	-	18,000	-	18,000	-	-
B	Cost of capital charge on coinage stock - manufacturing element							
	-	125	-	125	-	125	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C	UK coinage: investment in the Royal Mint							
	-	-	2,800	2,800	-	2,800	-	-
D	UK coinage: metal costs							
	-	29,400	-	29,400	-	29,400	-	-
E	Cost of Capital charge on coinage stock - metal costs							
	-	175	-	175	-	175	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 3: Promoting a stable financial system and offering protection to ordinary savers, depositors, businesses and borrowers								
5,350	1,500,000	-	1,505,350	-	1,505,350	52,273,000	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	United Kingdom Financial Investments Limited							
5,350	-	-	5,350	-	5,350	-	-	
B	Infrastructure Finance Unit					150,000	-	
-	-	-	-	-	-			
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
C	Cost of capital charge on financial investments							
-	1,500,000	-	1,500,000	-	1,500,000	-	-	
D	Assistance to financial institutions					37,123,000	-	
-	-	-	-	-	-			
E	Refinancing of Northern Rock					15,000,000	-	
-	-	-	-	-	-			
Total for Estimate:								
196,421	1,563,321	164,100	1,923,842	19,376	1,904,466	52,277,800	-	

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	1,883,647	20,819	1,904,466
Voted capital items			
Capital	34,502,800	17,775,000	52,277,800
Less Non-operating A-in-A	-	-	-
Total net voted capital	34,502,800	17,775,000	52,277,800
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-1,663,825	-	-1,663,825
Depreciation	-7,915	-	-7,915
New provisions and adjustments to previous provisions	-860	-	-860
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-60	-	-60
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	535,075	-	535,075
Total accruals to cash adjustments	-1,137,585	-	-1,137,585
Excess cash to be CFERd	-	-	-
Net Cash Requirement	35,248,862	17,795,819	53,044,681

Part III: Extra receipts payable to the Consolidated Fund

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

	£'000			
	Present Provision Income	<i>Receipts</i>	New Provision Income	<i>Receipts</i>
Operating income not classified as A in A	414,250	<i>437,250</i>	4,414,250	<i>4,437,250</i>
Non-operating income not classified as A in A	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	1,341	<i>1,341</i>	1,341	<i>1,341</i>
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-
Total	415,591	<i>438,591</i>	4,415,591	<i>4,438,591</i>

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	174,795
RfR 2	-
RfR 3	5,350
Total Net Administration costs	180,145

Net Programme Costs

RfR 1	173,821
RfR 2	50,500
RfR 3	1,500,000
Non-voted	-4,399,605
Total Net Programme costs	-2,675,284

Total Net Operating Cost**-2,495,139***of which:*

Net Resource Requirement	1,904,466
Non-voted expenditure	14,645
Consolidated Fund Extra Receipts	-4,414,250
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**-2,984,355**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	1,904,466
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	14,645
Consolidated Fund Extra Receipts in the OCS	-4,414,250
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	-2,495,139
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	25,659
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-514,875
Resource Budget (Budget)	-2,984,355
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	230,747
Annually Managed Expenditure (AME)	-3,215,102

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	52,277,800
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	2,142
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	524,475
Capital Budget (Budget)	52,804,417
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	156,942
Annually Managed Expenditure (AME)	52,647,475

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Nicholas Macpherson, Permanent Head of Department

Request for Resources 2: Nicholas Macpherson, Permanent Head of Department

Request for Resources 3: Nicholas Macpherson, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000
	2009-10
RfR 1: Maintain sound public finances and ensure high and sustainable growth, well being and prosperity for all	
Administration	16,276
<i>of which:</i>	
Sale of goods and services	16,276
Other income (including receipts)	-
Programme	3,100
<i>of which:</i>	
Sale of goods and services	1,800
Interest and dividends	1,300
Other income (including receipts)	-
Total RfR 1	19,376†
<p>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoveries in respect of administration of the Treasury, including charges for courses, services provided by the Economics in Government team and other officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; charges for services provided by the Government Social Research Unit; income from recovery actions in connection with Barlow Clowes; charges for services to government departments provided under the Financial Management Change Agenda; income from fees charges to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; income due to the Debt Management Office for advertising costs, stock exchange listings, data provision, rentals in respect of operating leases, the management and administration of certain public and private funds and provision of a lending service to local authorities, income from the administration of carbon dioxide reduction schemes and the Gilt Purchase and Sale Service; administration of Pool Re and other related bodies; European Fast Stream income from the Cabinet Office; amounts arising from the sale of shares and debt; income from products, consultancy and other customer services, letting of vacant property, and the Buying Solutions dividend.</p>	
Total Operating A in A	19,376

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

£'000
**2009-10 Provision
Income Receipts**

Fixed investments Δ	414,250	437,250
Fees from financial institutions Δ	4,000,000	4,000,000
Civil List Φ	1,341	1,341
Total	4,415,591	4,438,591

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	18,631	-3,631	209,903	20,844	230,747
<i>of which: †</i>					
Administration budget	16,531	-1,531	180,145	-	180,145
Near-cash in RDEL	18,631	-3,631	200,218	31,444	231,662
Capital DEL ††	-625,000	-	154,800	2,142	156,942
Less Depreciation †††	-	-	-7,915	-	-7,915
Total DEL	-606,369	-3,631	356,788	22,986	379,774

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	19,376

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have adopted fully International Financial Reporting Standards (IFRS) since the publication of our Main Supply Estimate, and these standards take effect from 1 April 2009. The adoption of IFRS has led to some alteration to HM Treasury's budgets, the full details of which can be found in the Introduction.

Notes to the Main Estimate (*continued*)

Contingent liabilities

Nature of Liability	£'000
Contingent Liabilities limited by recourse to assets¹	
HM Treasury has announced guarantee arrangements in respect of retail and uncollateralised wholesale deposits in, and certain other uncollateralised and unsubordinated wholesale obligations of, Northern Rock plc. These arrangements will exist for the current period of instability in the financial markets. (Treasury Minute dated 26 November 2007).	Up to 18,600,000
HM Treasury, under the terms of the loan arrangements with Northern Rock, has also guaranteed a back-up liquidity facility, secured against the assets of the company, to meet the Financial Services Authority's requirements. This facility may remain in place beyond 2010 until sufficient alternative liquidity arrangements are in place. (Written Ministerial Statement dated 31 March 2008).	Up to 5,700,000
The Treasury has put in place guarantee arrangements to safeguard certain wholesale borrowings and deposits with Bradford & Bingley (29 September 2008 letters to Chair of PAC and TSC and Treasury minute of 30 March 2009).	10,000,000
HM Treasury has indemnified a scheme (Special Liquidity Scheme) to allow banks to swap temporarily their high quality mortgage-backed and other securities for Treasury Bills. Payment under the indemnity would only arise if the capital losses exceed any surplus accruing to the Bank of England over the duration of the scheme.	Up to 185,000,000
On 19 January 2009, HM Treasury authorised the Bank of England to purchase high quality private sector assets and UK Government debt purchased on the secondary market. The Government has indemnified the Bank of England and the fund specially created to implement the facility from any losses arising out of or in connection with the facility. (Letter to Treasury Select Committee 19 January 2009 and letter of 3 March to Governor of the Bank of England and Treasury Minute dated 9 November 2009)	Up to 200,000,000
On 19 January 2009, the Government announced a guarantee scheme for assets-backed securities, which would open in April and be operated by the Debt Management Office. At Budget (22 April) 2009, the Government launched a guarantee scheme for AAA-rated residential mortgage-backed securities (RMBS) for banks and building societies to use alongside the existing Credit Guarantee Scheme, to support their lending to the economy and promote the transition towards a sustainable unguaranteed market. The Government set conforming criteria to ensure that only transparent structures and high quality assets are eligible. Banks and building societies accessing the scheme will follow international standards and best practice on underwriting, disclosure, reporting and valuation. On 27 October, the European Commission approved an extension of the scheme's drawdown window to 31 December 2009, which aligns it with the CGS. (Letter to TSC 19 Jan 2009)	Unquantifiable

Contingent Liabilities related to the Asset Protection Scheme

To provide certainty and confidence to banks in their lending, the Government announced its intention to offer capital and asset protection on those assets most affected by the current economic conditions. This will reduce banks' uncertainty about the value of past investments, so providing them with greater confidence to lend in the future to creditworthy businesses, homeowners and consumers. RBS has indicated that assets of £282bn will be covered by the scheme. Maximum exposure to HM Treasury is estimated at £199bn. (Letter to Treasury Select Committee 19 January 2009 and Treasury Minute dated 3 November 2009).

Up to 199,440,000

To ensure RBS is adequately capitalised under the Financial Services Authority's stress tests, Treasury will also make available £8bn of contingent capital to RBS, in return for a premium of 4 per cent per annum. This commitment will be in place for 5 years, and can be ended by the firm with the consent of the Financial Services Authority. The contingent capital would, if drawn down, be injected in tranches in the form of B-shares, should the core tier one capital ratio of RBS fall below 5%. The fee may be satisfied in cash, or B-shares or deferred tax assets.

8,000,000

Other Contingent Liabilities

HM Treasury has confirmed to the FSA its intention to take appropriate steps (should they prove necessary) to ensure that Northern Rock will continue to operate above the minimum regulatory capital requirements (Treasury Minute dated 19 February 2008).

Unquantifiable

HM Treasury has guaranteed indemnities provided by Northern Rock for its new directors against liabilities and losses in the course of their actions (Treasury Minute dated 19 February 2008).

Unquantifiable

HM Treasury has guaranteed indemnities provided by United Kingdom Financial Investments for its new directors against liabilities and losses incurred in the course of their actions.

Unquantifiable

HM Treasury has made available guarantees to back banks' new short and medium term debt. They will be made available for terms of up to 36 months to help refinance maturing wholesale funding obligations as they fall due. (Treasury Minute 8 October 2008).

Up to 250,000,000

HM Treasury committed to provide capital to certain banks through the Government's Bank Recapitalisation Fund. In addition to the £37 billion which has now been invested, the Government has committed to make capital available to smaller institutions, should they need it. (Treasury statements dated 8 and 13 October 2008).

Up to 13,000,000

HM Treasury has confirmed to the FSA its intention to take appropriate steps (should they prove necessary) to ensure that Bradford & Bingley will continue to operate above the minimum regulatory capital requirements (Treasury Minute dated 2 June 2009).

Unquantifiable

HM Treasury has guaranteed indemnities provided by Bradford & Bingley for its new directors against liabilities and losses in the course of their actions. (Treasury Minute dated 2 June 2009)

Unquantifiable

HM Treasury has guaranteed indemnities provided by Infrastructure Finance Unit Limited for its new directors against liabilities and losses incurred in the course of their actions.

Unquantifiable

In January 2009, the Government undertook to establish a fair ex gratia payment scheme for those Equitable Life policyholders who have suffered a disproportionate impact as a result of relevant maladministration. The Government has commissioned Rt. Hon Sir John Chadwick to advise the Government on matters relevant to the relative losses and disproportionate impact suffered by current and former Equitable Life policyholders. The Government expects Sir John to deliver his final advice in Spring 2010. With the benefit of Sir John's advice, and taking account of the position of the public finances and the need to ensure practicality of delivery, the Government will introduce the fair ex gratia payment scheme discussed above. However, at this stage, the future cost arising from the scheme is considered unquantifiable. (The Prudential Regulation of the Equitable Life Assurance Society: the Government's response to the Parliamentary Ombudsman's Investigation – January 2009)

Unquantifiable

Under the Dunfermline Building Society Compensation Scheme, Resolution Fund and Third Party Compensation Order 2009 the Treasury is required to appoint an Appointment Panel, which is responsible for appointing an independent valuer to perform the functions referred to in article 4 of that Order. The Panel is also responsible for removing the independent valuer from office on the ground of incapacity or serious misconduct. The Treasury has indemnified members of the Appointment Panel against any and all claims, losses, damages and liabilities incurred by Panel members in connection with or arising from their membership of the Panel and the performance of the Panel's functions. (Treasury Minute dated 2 November 2009)

Unquantifiable

Statutory

In accordance with section 5 of the Banking (Special Provisions) Act 2008 a Compensation Scheme has been established by the Northern Rock plc Compensation Scheme Order 2008. Under the Scheme an independent valuer will be appointed to assess what compensation, if any, is payable to former shareholders and others in accordance with valuation assumptions set out in the Act and the Compensation Scheme Order.

Unquantifiable

In accordance with section 5 of the Banking (Special Provisions) Act 2008 a Compensation Scheme has been established by the Bradford & Bingley plc Compensation Scheme Order 2008. Under the Scheme an independent valuer will be appointed to assess what compensation, if any, is payable to former shareholders and others in accordance with valuation assumptions set out in the Act and the Compensation Scheme Order.

Unquantifiable

On 7 July 2009 the Dunfermline Building Society Compensation Scheme, Resolution Fund and Third Party Compensation Order 2009 ("the Order") came into force. Under the Order HM Treasury is liable to pay to specified third parties any amount of compensation determined to be payable by the independent valuer appointed to perform the functions referred to in article 4 of that Order. (Treasury Minute dated 4 June 2009)

Unquantifiable

¹ Contingent liabilities have been included in this category where the liability would be limited by recourse to assets if it were to crystallise. The amounts shown above are gross of any such offset. Contingent liabilities with recourse to equities have not been included.

HM Revenue and Customs

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
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			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL end-year flexibility</u>			
A1	£70,000,000 administration near cash costs in accordance with the Public Expenditure Outturn White Paper (Cm 7606)	70,000,000	
<u>Machinery of Government changes</u>			
A1, A2	A transfer to the Home Office of £303,166,000 (near cash £292,438,000 and non-cash £10,728,000) in respect of the United Kingdom Border Agency		-303,166,000
<u>Take up of Departmental Unallocated Provision</u>			
A1	£42,585,000 administration near cash costs draw down from the non-voted Departmental Unallocated Provision to facilitate improvements to key operational areas	42,585,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
C2	To record the movement of -£2,000,000 in accrued employee annual leave as required under International Financial Reporting Standards		-2,000,000
<u>Other changes</u>			
<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>			
A1: A5	To increase the levels of near cash administration costs and income by £11,000,000 for additional work mainly associated with services to other government departments	11,000,000	-11,000,000
A1: A5	To increase the levels of near cash administration costs and income by £37,021,000 in relation to services rendered to the United Kingdom Border Agency.	37,021,000	-37,021,000

<u>Totals</u>	160,606,000	-353,187,000
<u>Total RfR 1</u>		-192,581,000

RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments

Section Reason for Change

Changes related to movements in budgets

Changes in Annually Managed Expenditure (AME)

A3	Increase of £130,000,000 programme expenditure relating to Child Benefit forecasts	130,000,000	
B3	£10,000,000 programme expenditure increase to the forecast of the Child Trust Fund	10,000,000	

<u>Totals</u>	140,000,000	-
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<u>Total RfR 5</u>	140,000,000
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<u>Total change in resources for Estimate:</u>	-52,581,000
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Changes in capital

Section Reason for Change

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Changes related to movements in budgets

Machinery of Government changes

A7	A transfer to the Home Office of £13,218,000 in respect of the United Kingdom Border Agency		-13,218,000
A8	A transfer to the Home Office of £137,000 in respect of the United Kingdom Border Agency	137,000	

Take up of Departmental Unallocated Provision

A7	Draw down of £3,559,000 non-voted capital taken up as voted provision to facilitate improvements to key operational areas	3,559,000	
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<u>Totals</u>	3,696,000	-13,218,000
<u>Total RfR 1</u>		-9,522,000
<u>Total changes in capital for Estimate:</u>		-9,522,000

2. As a result of the above and associated non- cash adjustments, there is a decrease in the net cash requirement of £51,375,000
3. Symbols are explained in the Introduction to this booklet.

HM Revenue and Customs

Part I

	£
Request for Resources 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements †	-192,581,000
Request for Resources 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments	140,000,000
Total additional net resource requirement	-52,581,000
Additional net cash requirement †	-51,375,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the HM Revenue and Customs on:

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

administration and the associated non-cash items incurred in the management and collection of the direct and indirect taxes, duties and levies, new tax credits and National Insurance Contributions; Child Benefit and the Child Trust Fund, Shipbuilders' Relief, Money Laundering regulatory regime, the National Insurance Funds for Great Britain and Northern Ireland; OPG and government banking services; Airplane Tax; Health in Pregnancy Grant; Saving Gateway; National minimum wage; collection of student loans; the operation of customs controls including prohibitions and restrictions; the provision of trade information; the provision of resources to independent investigatory bodies (including the HMIC, IPCC and the police authorities) to facilitate the independent inspection of professional standards within the Department, the investigation of allegations of mis-conduct or criminal activities by Departmental staff and fulfilment of reciprocal complaints investigation arrangements with police authorities; the provision of incentive payments for e-filing; payments in respect of the Customs National Museum; grants to the voluntary and community sector; providing the business link portal; air travel carbon-offsetting; services to support the Welfare Reform Agenda; and for services provided to the department's information technology and wider markets' partners, other departments and public bodies including any assistance with investigations into terrorist incidents, and overseas tax administration and the activity in support of the UK Border Agency.

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

administration and the associated non-cash items incurred in the provision of valuation and other services for government departments and other public bodies by the Valuation Office Agency.

RfR 3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, personal pensions, life assurance premium relief and residual payments for mortgage interest relief; and associated non-cash items.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

rates paid by Her Majesty's Revenue and Customs in respect of non-domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations and associated non-cash items.

RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments

payments of Child Benefit, Health in Pregnancy Grant, Child Trust Fund and the associated non-cash items.

The **HM Revenue and Customs** will account for this Estimate.

† The United Kingdom Border Agency (UKBA) was transferred to the Home Office on 1 April 2009. Within the overall changes sought in this Estimate, the specific changes relating to this machinery of government transfer are:

- a) the net resource requirement for RfR1 is decreased by £ 303,166,000;
- b) non-operating A in A is decreased by £ 137,000; and
- c) the net cash requirement is decreased by £ 305,519,000.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements					
		-144,560	48,021	-192,581	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	3,868,433	-142,560	48,021	-190,581	3,677,852
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
C Other administrative costs in AME	1	-2,000	-	-2,000	-1,999
RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments					
		140,000	-	140,000	
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
A Children's benefits	11,770,000	130,000	-	130,000	11,900,000
B Child Trust Fund Endowments	370,000	10,000	-	10,000	380,000
Total for Estimate:		-4,560	48,021	-52,581	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	255,135	-9,659	245,476
Non-Operating A in A	3,980	-137	3,843
Net cash requirement	16,404,754	-51,375	16,353,379

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements								
4,058,634	140,779	110,435	4,309,848	523,994	3,785,854	230,105	3,681	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration	4,058,634	139,278	435	4,198,347	520,495	3,677,852	230,105	3,681
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B e-filing incentive payments	-	-	110,000	110,000	-	110,000	-	-
C Other administrative costs in AME	-	-1,999	-	-1,999	-	-1,999	-	-
Non-Budget								
D Operational local clearance procedures	-	3,500	-	3,500	3,499	1	-	-
RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.								
227,775	2	-	227,777	227,776	1	15,371	162	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration	227,775	-	-	227,775	227,776	-1	15,371	162
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
B Administration	-	2	-	2	-	2	-	-
RfR 3: Providing payments in lieu of tax relief to certain bodies								
-	-	155,300	155,300	-	155,300	-	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A Payments in lieu of tax relief	-	-	155,300	155,300	-	155,300	-	-
RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies								
-	35,000	-	35,000	2,100	32,900	-	-	-

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
1	2	3	4	5	6	7	8	
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	Payments of Local Authority rates							
	-	35,000	-	35,000	2,100	32,900	-	-
RfR 5: Payments of Child Benefit, Health in Pregnancy Grant and Child Trust Fund endowments								
	-	-	12,425,000	12,425,000	-	12,425,000	-	-
Spending in Annually Managed Expenditure (AME)								
<i>Central Government spending</i>								
A	Children's benefits							
	-	-	11,900,000	11,900,000	-	11,900,000	-	-
B	Child Trust Fund Endowments							
	-	-	380,000	380,000	-	380,000	-	-
C	Health in Pregnancy Grant							
	-	-	145,000	145,000	-	145,000	-	-
Total for Estimate:								
	4,286,409	175,781	12,690,735	17,152,925	753,870	16,399,055	245,476	3,843

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	16,451,636	-52,581	16,399,055
Voted capital items			
Capital	255,135	-9,659	245,476
Less Non-operating A-in-A	3,980	-137	3,843
Total net voted capital	251,155	-9,522	241,633
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-36,903	1,602	-35,301
Depreciation	-195,203	-11,771	-206,974
New provisions and adjustments to previous provisions	-99,559	22,677	-76,882
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-520	-1,780	-2,300
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	34,148	-	34,148
Total accruals to cash adjustments	-298,037	10,728	-287,309
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,404,754	-51,375	16,353,379

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	3,957,887
RfR 2	-1
RfR 3	-
RfR 4	-
RfR 5	-
Total Net Administration costs	3,957,886
Net Programme Costs	
RfR 1	-172,033
RfR 2	2
RfR 3	155,300
RfR 4	32,900
RfR 5	12,425,000
Non-voted	-
Total Net Programme costs	12,441,169
Total Net Operating Cost	16,399,055
<i>of which:</i>	
Net Resource Requirement	16,399,055
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	37,594,395

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	16,399,055
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	16,399,055
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-380,000
European Union income related to capital grants	-
Voted expenditure outside the budget	-1
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	21,575,341
Resource Budget (Budget)	37,594,395
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	4,029,188
Annually Managed Expenditure (AME)	33,565,207

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	241,633
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	380,000
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	621,633
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	241,633
Annually Managed Expenditure (AME)	380,000

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1:	Mike Eland, Director General, HM Revenue and Customs
Request for Resources 2:	Penny Ciniewicz, Chief Executive of the Valuation Office Agency
Request for Resources 3:	David Hartnett, Permanent Secretary for Tax, HM Revenue and Customs
Request for Resources 4:	Penny Ciniewicz, Chief Executive of the Valuation Office Agency
Request for Resources 5:	Mike Eland, Director General, HM Revenue and Customs

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: 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	100,747
<i>of which:</i>	
Sale of goods and services	81,988
Regulatory licences, fines, penalties and taxes	18,759
Programme	423,247
<i>of which:</i>	
Sale of goods and services	423,112
Regulatory licences, fines, penalties and taxes	135

Total RfR 1	523,994†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of law costs; recovery of the costs of administering the National Insurance Funds and collection of National Insurance contributions; subsidies for New Deal jobseekers employed; receipts for services provided to the Valuation Office Agency, government departments and other bodies including student loan, Welfare Reform Agenda and National Minimum Wage receipts; recovery of costs in respect of the Aggregates levy and of seconded and loan staff; charges for the special attendance of officers; and for international commitments; receipts from the sale of publications; from the sale of statistical services and certificates; and from estate management services, including rent receipts from other government departments and private tenants; receipts from the use of certain official cars; receipts from certain tax penalties; EC travelling expenses and receipts from the EC; receipts in respect of Shipbuilders' Relief and local clearance procedures under Single European Authorisations; receipts from insurance and compensation claims; receipts from the Asset Recovery Incentivisation scheme; and marine fuel relief, transaction fees from credit card payments; fees received for the money laundering regulatory regime; recoveries of overpayments in prior years; excess cash receipts; subscription fees relating to Business link; and other miscellaneous administration and programme cost receipts.

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Administration	227,776
<i>of which:</i>	
Sale of goods and services	227,776

Total RfR 2	227,776†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of costs of valuation and other services; receipts from the use of certain official cars; receipts from the sale of information and publications; recovery of law costs; rent receipts from other government departments and private tenants; receipts in connection with preparation for the transfer of function from The Rent Service; other administration cost receipts.

RfR 4: Making payments of rates to Local Authorities on behalf of certain bodies

Programme	2,100
<i>of which:</i>	
Sale of goods and services	2,100

Total RfR 4	2,100†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities.

Total Operating A in A	753,870
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Administering the tax and customs control systems fairly and efficiently and making it as easy as possible for individuals and businesses to understand and comply with their obligations and receive their tax credit and other entitlements

Programme	3,681
<i>of which:</i>	
Sale of assets	3,681

Total RfR 1	3,681†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of fixed assets and from the sale of land and buildings.

RfR 2: Undertaking rating and council tax valuation work in England and Wales and providing valuation and property management services to central government and other bodies where public funds are involved.

Programme	162
<i>of which:</i>	
Sale of assets	162

Total RfR 2	162†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the recovery of income from the sale of assets.

Total Non-Operating A in A	3,843
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-190,581	-38,387	3,677,851	351,337	4,029,188
<i>of which: †</i>					
Administration budget	-158,804	-42,585	3,957,886	-	3,957,886
Near-cash in RDEL	-179,853	-38,387	3,356,397	385,485	3,741,882
Capital DEL ††	-9,522	-3,559	241,633	-	241,633
Less Depreciation †††	-11,771	-	-206,971	-	-206,971
Total DEL	-211,874	-41,946	3,712,513	351,337	4,063,850

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

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

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

Cash which may be retained to offset expenditure

	£'000
	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	757,713

Notes to the Estimate (*continued*)

Changes in Accounting Policies

The Department has adopted International Financial Reporting Standards (IFRS) with effect from 1 April 2009. The adoption of IFRS has led to some alteration in HMRC's budgets, and the impact of the standards are as set out in the Introduction to this Estimate.

National Savings and Investments

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of DEL end-year flexibility</u>		
A1	Administration, near cash for continuation of modernisation programmes that commenced in 2008-09, These cover IS Infrastructure Programme, Strategic Platform Development Programme, Dematerialisation and Authentication.	20,000,000	
	<u>Transfers from central funds</u>		
A1	Administration, near cash from the Modernisation Challenge Fund to continue modernisation programme	1,498,000	
	<u>Take up of Departmental Unallocated Provision</u>		
A1	Administration, near cash for continuation of modernisation programme	4,994,000	
	<u>Changes in Annually Managed Expenditure (AME)</u>		
B1	Adoption of IFRS (IAS 19) employee benefits	130,000	
B1	Revaluation of NS&I's Blackpool site will result in substantial drop in value	5,200,000	
B1	Revaluation of NS&I's Glasgow site will result in substantial drop in value	300,000	
B1	Adoption of IFRIC 12 results in additional depreciation/ amortisation to cover assets brought onto balance sheet at 1 April 2009	1,500,000	
B1	Adoption of IFRIC 12 results in additional cost of capital to cover assets brought onto balance sheet at 1 April 2009	800,000	
	<u>Totals</u>	34,422,000	-
Total RfR 1		34,422,000	

Total change in resources for Estimate:	34,422,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £26,622,000

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

National Savings and Investments

Part I

	£
Request for Resources 1: Reducing the costs to the taxpayer of government borrowing now and in the future	34,422,000
Total additional net resource requirement	34,422,000
Additional net cash requirement	26,622,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the National Savings and Investments on:

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **National Savings and Investments** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future		34,422	-	34,422	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Administration	157,107	26,492	-	26,492	183,599
Spending in Annually Managed Expenditure (AME)					
B Administration	-	7,930	-	7,930	7,930
Total for Estimate:		34,422	-	34,422	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	3,176	-	3,176
Non-Operating A in A	-	-	-
Net cash requirement	157,388	26,622	184,010

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future							
189,695	7,930	-	197,625	6,096	191,529	3,176	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Administration							
189,695	-	-	189,695	6,096	183,599	3,176	-
Spending in Annually Managed Expenditure (AME)							
B Administration							
-	7,930	-	7,930	-	7,930	-	-
Total for Estimate:							
189,695	7,930	-	197,625	6,096	191,529	3,176	-

Part II: Resource to cash reconciliation**£'000**

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	157,107	34,422	191,529
Voted capital items			
Capital	3,176	-	3,176
Less Non-operating A-in-A	-	-	-
Total net voted capital	3,176	-	3,176
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-830	-800	-1,630
Depreciation	-3,015	-7,000	-10,015
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-650	-	-650
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-400	-	-400
Increase (-) / Decrease (+) in creditors	2,000	-	2,000
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,895	-7,800	-10,695
Excess cash to be CFERd	-	-	-
Net Cash Requirement	157,388	26,622	184,010

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

	£'000
	2009-10 Provision
Net Administration Costs	
RfR 1	183,599
Total Net Administration costs	183,599
Net Programme Costs	
RfR 1	7,930
Non-voted	-
Total Net Programme costs	7,930
Total Net Operating Cost	191,529
<i>of which:</i>	
Net Resource Requirement	191,529
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-
Resource Budget	191,529

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	191,529
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	191,529
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	191,529
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	183,599
Annually Managed Expenditure (AME)	7,930

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	3,176
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	3,176
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	3,176
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Jane Platt, Permanent Head of the Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

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

£'000

2009-10

RfR 1: Reducing the costs to the taxpayer of government borrowing now and in the future
Administration **6,096**
of which:

 Sale of goods and services 6,096

 Other income (including receipts) -

Total RfR 1 **6,096[†]**
[†] Amount that may be applied as operating appropriations in aid in addition to the net total arising from: rent receipts.

Total Operating A in A **6,096**

Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	26,492	-4,994	183,599	-	183,599
<i>of which: †</i>					
Administration budget	26,492	-4,994	183,599	-	183,599
Near-cash in RDEL	26,492	-4,994	179,104	-	179,104
Capital DEL ††	-	-	3,176	-	3,176
Less Depreciation †††	-	-	-3,015	-	-3,015
Total DEL	26,492	-4,994	183,760	-	183,760

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	6,096

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have adopted - in full- IFRS with effect from 1 April 2009. The adoption of IFRS has led to the re-stating of NS and I's budgets, as set out in the Introduction.

Cabinet Office

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives			
<u>Section Reason for Change</u>			
<u>Changes related to movements in budgets</u>			
<u>DEL Reserve claims</u>			
B3	Drawdown on the Reserve for Grassroots Grants Adjustment to increase Resource Grants within the Programme Budget	18,000,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A1	A Budget cover transfer to Department for Culture Media and Sport (DCMS) to cover the costs of the Office of the Parliamentary Counsel Adjustment to decrease Administration budget		-226,000
A1	Budget cover transfer to Department for Work and Pensions (DWP) to cover the costs of the Office of the Parliamentary Counsel Adjustment to decrease Administration budget		-376,000
B1	Budget cover transfer to Department for Communities and Local Government (DCLG) to cover the costs of work on community cohesion Adjustment to decrease Administration budget		-340,000
<u>Transfers from resource spending to capital spending (not capital grants)</u>			
A1:A7	A transfer from resource to capital in respect of software for a secure communication network Adjustment to decrease Administration within Resource DEL and increase Capital DEL		-14,000
A1:A7	A transfer from resource to capital towards the cost of the creation of a new Public Appointments Vacancies Website		-30,000

	Adjustment to decrease Administration within Resource DEL and increase Capital DEL		
A1:A7	A transfer from Administration to capital to cover the expenditure on projects enhancing the computer system which supports Civil Service Pensions Adjustment to decrease Administration within Resource DEL and increase Capital DEL		-450,000
<u>Other changes</u>			
<u>Resource transfers within the Request for Resources</u>			
B1:A1	A transfer from Office of the Third Sector to core Cabinet Office. Adjustment to decrease Office of the Third Sector's Administration Budget and increase core Cabinet Office's Administration Budget	474,000	-474,000
B3:B2	A transfer from grant to programme within the Office of the Third Sector budget relating to expenditure on Service Fees Adjustment to decrease grant and increase other current expenditure	2,940,000	-2,940,000
A1:C1	A transfer from core Cabinet Office to Social Exclusion Task Force Adjustment to decrease core Cabinet Office's Administration Budget and increase Social Exclusion Task Force Administration Budget	540,000	-540,000
D1:A1	A transfer from Committee on Standards in Public Life - ANDPB to core Cabinet Office Adjustment to increase core Cabinet Office's Administration Budget and decrease Committee on Standards in Public Life Administration Budget	6,000	-6,000
A1:E1	A transfer to Independent Offices -Civil Service Commissioners from core Cabinet Office Adjustment to decrease core Cabinet Office's Administration Budget and increase Independent Offices -Civil Service Commissioners Administration Budget	21,000	-21,000
F1:A1	A transfer from Independent Offices - Commissioner for Public Appointments to core Cabinet Office Adjustment to increase core Cabinet Office's Administration Budget and decrease Independent Offices -Commissioner for Public Appointments Administration Budget	100,000	-100,000
A1:G1	A transfer to Independent Offices - Advisory Committee on Business Appointments - ANDPB from core Cabinet Office Adjustment to decrease core Cabinet Office's Administration Budget and increase Independent Offices - Advisory Committee on Business Appointments - ANDPB Administration Budget	4,000	-4,000
A1:H1	A transfer to Independent Offices - House of Lords Appointments Commission - ANDPB from core Cabinet Office	61,000	-61,000

Adjustment to decrease core Cabinet Office's Administration Budget and increase Independent Offices - House of Lords Appointments Commission - ANDPB Administration Budget

<u>Transfers to/from non-voted spending</u>			
B3:J3	A transfer from Office of the core Third Sector to Non Budget Grant In Aid to NDPB Adjustment to decrease voted current grant expenditure and increase Non budget Grant in Aid to executive NDPB		-8,150,000
<u>Increases in non-budget spending</u>			
B3:J3	A transfer from Office of the Third Sector to Non Budget Grant In Aid Adjustment to decrease core Office of the Third Sector grants budget and increase non budget Grant in Aid to executive non Departmental Public Bodies (eNDPB)	8,150,000	
<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>			
A2:A5	A reduction in income due to programmes coming to an end. Adjustment to decrease programme expenditure offset by a decrease programme income	19,000,000	-19,000,000
<u>Totals</u>		49,296,000	-32,732,000
Total RfR 1		16,564,000	
Total change in resources for Estimate:		16,564,000	

Changes in capital

Section Reason for Change

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Changes related to movements in budgets

Transfers of budgetary cover to/from other government departments

A7	Budget cover transfer from Government Equalities Office towards the cost of the creation of a new Public Appointments Vacancies Website Adjustment to increase Capital DEL	20,000	
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Other changes

Transfers from resources to capital

A7:A1	A transfer from resource to capital in respect of software for a secure communication network Adjustment to increase Capital DEL	14,000	
A7:A1	A transfer from resource to capital towards the cost of the creation of a new Public Appointments Vacancies Website	30,000	

Adjustment to increase Capital DEL

A7:A1	A transfer from resource administration to capital to cover the expenditure on projects enhancing the computer system which supports Civil Service Pensions Adjustment to increase Capital DEL	450,000
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<u>Totals</u>	514,000	-
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Total RfR 1	514,000
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Total changes in capital for Estimate:	514,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £17,078,000
3. Symbols are explained in the Introduction to this booklet.

Cabinet Office

Part I

	£
Request for Resources 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives	16,564,000
Total additional net resource requirement	16,564,000
Additional net cash requirement	17,078,000

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

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

The Prime Minister's Office; the Offices of the Chancellor of the Duchy of Lancaster and Ministers in the Cabinet Office and of the Cabinet Secretary and Head of the Home Civil Service; Propriety and Ethics and Private Offices Group; Lord President of the Council and the Leader of the House of Lords and the Leader and Deputy Leader of the House of Commons and the Offices of the Government Whips in the House of Commons and the House of Lords; Office of the Parliamentary Counsel; Honours and Appointments Secretariat; Foreign and Defence Policy Secretariat; European and Global Issues Secretariat; Economic and Domestic Secretariat and National Economic Council;

National Security Secretariat; Security and Intelligence; Civil Contingencies Secretariat; Intelligence Assessment and Intelligence Analysis Profession and Strategic Horizons; Government CIO and Head of Government IT Profession; Office of the Third Sector; Social Exclusion Task Force; Service Transformation; Strategy Unit; Public Sector Pay and Workforce Reform; Operational Efficiency; Corporate Services Group; Civil Service Management and Head of Government HR Profession; Government Communications and Head of Government Communications Profession; and various other units;

Payments of grant and grant-in-aid to organisations promoting departmental objectives; Grants-in-Aid to not-for-profit organisations including the Civil Service Benevolent Fund, the Civil Service Retirement Fellowship, the Civil Service Sports Council, and to the Chequers Trust and to the executive Non-Departmental Public Bodies, Capacity Builders (UK) Limited and the Commission for the Compact Limited; Grants to organisations working in the third sector and to local authorities and to other organisations including the Disability Partnership and the Whitehall and Industry Group;

Payments to and income from other government departments in relation to programmes supporting the department's objectives; special payments; expenditure on and income from loans; expenditure on capital assets; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; improving public services; Civil Service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; the administration and operation of the department and associated non-cash items.

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

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		-2,436	-19,000	16,564	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Cabinet Office	216,946	-20,142	-19,000	-1,142	215,804
B Office of the Third Sector	144,502	9,036	-	9,036	153,538
C Social Exclusion Task Force	838	540	-	540	1,378
D Committee on Standards in Public Life - ANDPB	644	-6	-	-6	638
E Independent Offices - Civil Service Commissioners	1,199	21	-	21	1,220
F Independent Offices - Commissioner for Public Appointments	684	-100	-	-100	584
G Independent Offices-Advisory Committee on Business Appts-ANDPB	204	4	-	4	208
H Independent Offices - House of Lords Appts Commission - ANDPB	189	61	-	61	250
Non-Budget					
J Executive NDPB's	31,081	8,150	-	8,150	39,231
Total for Estimate:		-2,436	-19,000	16,564	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	13,959	514	14,473
Non-Operating A in A	5,760	-	5,760
Net cash requirement	363,749	17,078	380,827

Part II: Revised subhead detail including additional provision

£'000

Resources							Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total		Capital	Non-operating A in A
1	2	3	4	5	6		7	8
RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives								
	251,570	28,253	182,369	462,192	48,735	413,457	14,473	5,760
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A	Cabinet Office							
	243,632	17,998	2,909	264,539	48,735	215,804	14,473	5,760
B	Office of the Third Sector							
	3,660	10,255	139,623	153,538	-	153,538	-	-
C	Social Exclusion Task Force							
	1,378	-	-	1,378	-	1,378	-	-
D	Committee on Standards in Public Life - ANDPB							
	638	-	-	638	-	638	-	-
E	Independent Offices - Civil Service Commissioners							
	1,220	-	-	1,220	-	1,220	-	-
F	Independent Offices - Commissioner for Public Appointments							
	584	-	-	584	-	584	-	-
G	Independent Offices-Advisory Committee on Business Appts-ANDPB							
	208	-	-	208	-	208	-	-
H	Independent Offices - House of Lords Appts Commission - ANDPB							
	250	-	-	250	-	250	-	-
<i>Support for Local Authorities</i>								
I	London Fire and Emergency Planning Authority							
	-	-	606	606	-	606	-	-
Non-Budget								
J	Executive NDPB's							
	-	-	39,231	39,231	-	39,231	-	-
Total for Estimate:								
	251,570	28,253	182,369	462,192	48,735	413,457	14,473	5,760

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	396,893	16,564	413,457
Voted capital items			
Capital	13,959	514	14,473
Less Non-operating A-in-A	5,760	-	5,760
Total net voted capital	8,199	514	8,713
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-8,973	-	-8,973
Depreciation	-34,805	-	-34,805
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-1,000	-	-1,000
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	3,435	-	3,435
Use of provisions	-	-	-
Total accruals to cash adjustments	-41,343	-	-41,343
Excess cash to be CFERd	-	-	-
Net Cash Requirement	363,749	17,078	380,827

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1

206,397

Total Net Administration costs

206,397**Net Programme Costs**

RfR 1

207,060

Non-voted

-

Total Net Programme costs

207,060**Total Net Operating Cost****413,457***of which:*

Net Resource Requirement

413,457

Non-voted expenditure

-

Consolidated Fund Extra Receipts

-

Reduction in planned spend unable to be included in Estimate

-

Resource Budget**377,979**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2009-10 Provision
Net Resource Requirement (Estimates)	413,457
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	413,457
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-41,272
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-1,000
Unallocated resource provision	-
Other adjustments	6,794
Resource Budget (Budget)	377,979
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	377,969
Annually Managed Expenditure (AME)	10

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2009-10 Provision
Net Voted Capital (Estimates)	8,713
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	1,000
Capital grants	41,272
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	50,985
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	50,985
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Gus O' Donnell, Principal Accounting Officer and Permanent Head of Department

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Administration	45,173
<i>of which:</i>	
Sale of goods and services	45,173
Programme	3,562
<i>of which:</i>	
Sale of goods and services	3,562

Total RfR 1	48,735†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from minor occupiers of the Department's buildings and other accommodation income; sales of goods and services to other government departments, public bodies and general public; income in respect of central management costs of the Principal Civil Service Pension Scheme (PCSPS); recovery of costs of staff on secondment and loan; Emergency Planning College receipts for training courses and rent; recovery of costs from other government departments for cost sharing arrangements; recoveries in respect of Honours and Appointments; other grant income including repayments of grants and subsidies; income from sale of publications; recoveries from non-departmental public bodies; income in respect of Fast Stream programme; receipts from sale or use of rights and assets; rental income and receipts from property and land; receipts from sale of non-capital assets; interest receivable from the private sector and certain other services.

Total Operating A in A	48,735
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives

Administration	5,740
<i>of which:</i>	
Sale of assets	5,740
Programme	20
<i>of which:</i>	
Loan, etc, repayments	20

Total RfR 1	5,760†
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† Amount that may be applied as non-operating appropriations in aid, arising from: repayment of loan principal by London Hostels Association; proceeds from the sale of capital assets.

Total Non-Operating A in A	5,760
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	8,414	8,140	332,954	45,015	377,969
<i>of which: †</i>					
Administration budget	-1,436	-	206,397	-	206,397
Near-cash in RDEL	8,414	8,140	288,176	45,015	333,191
Capital DEL ††	514	-	49,985	1,000	50,985
Less Depreciation †††	-	-	-34,805	-	-34,805
Total DEL	8,928	8,140	348,134	46,015	394,149

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	54,495

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

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

RfR/Section	Service	£'000
RfR1 A	Pension Payments	8
RfR1 A	Grants made by the Cabinet Office	2,901
RfR1 I	London Fire and Emergency Planning Authority	606
RfR1 J	Grants in Aid to ENDPBs	39,231

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

RfR/Section	Body	£'000
RfR1 J	Capacity Builders (UK) Limited ♥	37,231
RfR1 J	Commission for the Compact Ltd ♥	2,000

Security and Intelligence Agencies

Introduction

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

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Protecting and promoting the national security and economic well being of the UK			
<u>Section</u>	<u>Reason for Change</u>		
<u>Changes related to movements in budgets</u>			
	<u>Take up of Departmental Unallocated Provision</u>		
A1	£500,000 Admin to cover the expansion and capabilities of the Security and Intelligence Agencies	500,000	
A2	£10,500,000 Programme to cover the expansion and capabilities of the Security and Intelligence Agencies	10,500,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Transfer from FCO for the expansion and capabilities of the Security and Intelligence Agencies	1,150,000	
<u>Other changes in DEL spending</u>			
A2	Decrease in Programme Near-cash expenditure resulting from implementation of IAS17: Leases		-310,000
A2	Increase in Programme Non-cash resulting from implementation of IAS17: Leases	1,300,000	
<u>Changes in Annually Managed Expenditure (AME)</u>			
B2	Increase in AME of £2,290,000 resulting from implementation of IAS19: Employee Benefits	2,290,000	
<u>Other changes</u>			
<u>Changes in operating appropriations- in -aid (fully offset by changes in spending)</u>			
A1:A5	Increase in Admin income of £1,959,000 being offset by an increase in Admin near-cash expenditure of £1,959,000.	1,959,000	-1,959,000
A2:A5	Increase in Programme income of £31,168,000 being offset by an increase in Programme near-cash expenditure of £31,168,000.	31,168,000	-31,168,000

<u>Totals</u>	48,867,000	-33,437,000
<u>Total RfR 1</u>		15,430,000
<u>Total change in resources for Estimate:</u>		15,430,000

Changes in capitalSection Reason for Change**RfR 1: Protecting and promoting the national security and economic well being of the UK****Changes related to movements in budgets**

A7	<u>Take up of Departmental Unallocated Provision</u> £7,500,000 Capital to cover the expansion and capabilities of the Security and Intelligence Agencies	7,500,000	
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Other changes

	<u>Changes in non-operating appropriations-in-aid (fully offset by changes in spending)</u>		
A7:A8	Increase in Capital income of £750,000 being offset by an increase in Capital expenditure of £750,000.	750,000	-750,000

<u>Totals</u>	8,250,000	-750,000
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<u>Total RfR 1</u>	7,500,000
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<u>Total changes in capital for Estimate:</u>	7,500,000
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2. As a result of the above and associated non- cash adjustments, there is an increase in the net cash requirement of £101,898,000

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

Security and Intelligence Agencies

Part I

	£
Request for Resources 1: Protecting and promoting the national security and economic well being of the UK	15,430,000
Total additional net resource requirement	15,430,000
Additional net cash requirement	101,898,000

SUPPLEMENTARY amounts required in the year ending 31 March 2010 for expenditure by the Security and Intelligence Agencies on:

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration and operational costs, research and development works, equipment and other payments, and associated non-cash items.

The **Security and Intelligence Agencies** will account for this Estimate.

Part II: Changes proposed

Resources

£'000

	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Protecting and promoting the national security and economic well being of the UK					
		48,557	33,127	15,430	
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
A Security and Intelligence Agencies	1,851,361	46,267	33,127	13,140	1,864,501
Spending in Annually Managed Expenditure (AME)					
<i>Central Government spending</i>					
B Impairments	6,500	2,290	-	2,290	8,790
Total for Estimate:		48,557	33,127	15,430	

Capital and Cash

£'000

	Present Provision	Changes in Provision	New Provision
Total Capital Expenditure	330,560	8,250	338,810
Non-Operating A in A	60	750	810
Net cash requirement	1,834,782	101,898	1,936,680

Part II: Revised subhead detail including additional provision

£'000

Resources						Capital	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A
1	2	3	4	5	6	7	8
RfR 1: Protecting and promoting the national security and economic well being of the UK							
96,317	1,878,470	-	1,974,787	101,496	1,873,291	338,810	810
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A	Security and Intelligence Agencies						
96,317	1,869,680	-	1,965,997	101,496	1,864,501	338,810	810
Spending in Annually Managed Expenditure (AME)							
<i>Central Government spending</i>							
B	Impairments						
-	8,790	-	8,790	-	8,790	-	-
Total for Estimate:							
96,317	1,878,470	-	1,974,787	101,496	1,873,291	338,810	810

Part II: Resource to cash reconciliation

£'000

	Present	Increase(+)/ Decrease(-)	Revised
Net Resource Requirement	1,857,861	15,430	1,873,291
Voted capital items			
Capital	330,560	8,250	338,810
Less Non-operating A-in-A	60	750	810
Total net voted capital	330,500	7,500	338,000
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-6,350	-40,704	-47,054
Depreciation	-283,350	-9,576	-292,926
New provisions and adjustments to previous provisions	-8,110	-1,585	-9,695
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-55,829	50,565	-5,264
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	60	80,268	80,328
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-353,579	78,968	-274,611
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1,834,782	101,898	1,936,680

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

£'000

**2009-10
Provision**

Net Administration Costs

RfR 1	85,000
Total Net Administration costs	85,000

Net Programme Costs

RfR 1	1,788,291
Non-voted	-
Total Net Programme costs	1,788,291

Total Net Operating Cost**1,873,291***of which:*

Net Resource Requirement	1,873,291
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Reduction in planned spend unable to be included in Estimate	-

Resource Budget**1,878,291**

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

2009-10
Provision

Net Resource Requirement (Estimates)	1,873,291
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Non-voted expenditure in the OCS	-
Consolidated Fund Extra Receipts in the OCS	-
Reductions in planned spend unable to be included in Estimate	-
Other adjustments	-
Net Operating Cost (Accounts)	1,873,291
<i>Adjustments to remove:</i>	
Gains / losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
Voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Resource consumption of non departmental public bodies	-
Unallocated resource provision	5,000
Other adjustments	-
Resource Budget (Budget)	1,878,291
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,869,501
Annually Managed Expenditure (AME)	8,790

Reconciliation of capital expenditure between Estimates and Budgets

£'000

2009-10
Provision

Net Voted Capital (Estimates)	338,000
<i>Adjustments to remove:</i>	
Provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
Other Consolidated Fund Extra Receipts	-
Capital spending by non-departmental public bodies	-
Capital grants	-
European Union income related to capital grants	-
Supported capital expenditure (revenue)	-
Capital spending by levy funded bodies	-
Unallocated capital provision	-
Reduction in planned spend unable to be included in Estimate	-
Other adjustments	-
Capital Budget (Budget)	338,000
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	338,000
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Request for Resources 1: Sir Gus O'Donnell

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

In discharging these responsibilities particular regard is given to:

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

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Protecting and promoting the national security and economic well being of the UK

Administration	11,317
<i>of which:</i>	
Sale of goods and services	11,317
Other income (including receipts)	-
Programme	90,179
<i>of which:</i>	
Sale of goods and services	90,179
Other income (including receipts)	-

Total RfR 1	101,496†
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sales of services to other government departments, the recovery of costs of staff on loan, recovery from staff for miscellaneous items and certain other services.

Total Operating A in A	101,496
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Analysis of non-operating appropriations in aid (A in A)

£'000

2009-10

RfR 1: Protecting and promoting the national security and economic well being of the UK

Programme	810
<i>of which:</i>	
Sale of assets	810
Other income (including receipts)	-

Total RfR 1	810†
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† Amount that may be applied as non-operating appropriations in aid, arising from: the sale of fixed assets and from the sale of freehold interest and land.

Total Non-Operating A in A	810
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

£'000

	Change		Voted	New DEL Non-voted	Total
	Voted	Non-voted			
Resource DEL	13,140	-11,000	1,864,501	5,000	1,869,501
<i>of which: †</i>					
Administration budget	500	-500	85,000	-	85,000
Near-cash in RDEL	11,840	-11,000	1,516,062	5,000	1,521,062
Capital DEL ††	7,500	-7,500	338,000	-	338,000
Less Depreciation †††	-9,576	-	-286,426	-	-286,426
Total DEL	11,064	-18,500	1,916,075	5,000	1,921,075

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

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

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

Cash which may be retained to offset expenditure

£'000

	Revised
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	102,306

Notes to the Estimate (*continued*)

Changes in Accounting Policies

We have adopted IFRS since the last publication of our Supply Estimates, and these standards take effect from 1 April 2009. The adoption of IFRS has led to some alteration in the SIA's budgets, as set out in the Introduction.



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