
Central Government Supply Estimates

2002–03

for the year ending 31 March 2003

Winter Supplementary Estimates and New Estimates

*Presented by Command of Her Majesty
Ordered by the House of Commons to be printed
27th November 2002*

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Section 1.

Introduction

1. Supply Estimates are the means by which the Government seeks from Parliament sufficient funds and fresh Parliamentary authority for the bulk of its own expenditure each year. A full description of Supply Estimates was included in the Main Estimates (HC 795) presented to Parliament on 9 May 2002.

Supplementary, New and Revised Estimates

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

Total Estimates to Date

3. For the current year, Main Estimates for each department were presented to Parliament on 9 May 2002.

4. The winter Supplementary Estimates presented to Parliament by departments and summarised in this booklet increase resources by **£7,398,907,000** to **£298,269,952,000** and cash by **£8,993,329,000** to **£291,106,348,000**

| Table 1.1 Total Estimates to date | | £ million |
|---|----------------|----------------|
| | Resources | Cash |
| Main Estimates (HC 795, 796, 797 and 798 of 2001–02) | 290,871 | 282,113 |
| Winter Supplementary Estimates (Section 2 of this booklet) | 6,408 | 8,070 |
| New Estimates (Section 3 of this booklet) | 991 | 923 |
| Total | 298,270 | 291,106 |

5. There are 34 Supplementary Estimates seeking increases in resources and/or cash and these are shown in **Table 1.3** and one New Estimate is shown in **Table 1.4**.

Public Expenditure: Total Managed Expenditure

6. The main aggregate for public expenditure control is Total Managed Expenditure which includes Departmental Limits (DEL) for which firm three year plans were set in the 2000 Spending Review and Annually Managed Expenditure (AME) subject to annual review as part of the Budget process. These definitions are explained in more detail in Chapter 1 of *Public Expenditure: Statistical Analyses 2001–02 (CM 5401)* and in Chapter 3 of *Central Government Supply Estimates: Main Estimates 2002–03 (HC 795)*.

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

8. The net effect of the Estimates summarised within this booklet and associated non voted increases on the main control aggregates is shown in **Table 1.2**. Of the increase in DEL, £4,339 million will be charged to the DEL Reserve. Of this, £2,927 million relates to partial take up of the end year flexibility entitlements shown in **Table 6** of the *Public Expenditure Outturn White Paper 2001–02 (Cm 5574)* published on 15 July 2001.

| | Resources | Capital |
|--|------------------|----------------|
| Expenditure to be met within existing DELs | 206 | 267 |
| Other increases charged to the DEL Reserve | 2,989 | 1,254 |
| Change in AME | 164 | 141 |
| Change in other spending outside DEL | 736 | |
| Total | 4,095 | 1,662 |

Departmental Expenditure Limits

9. Individual DELs operate as limits on spending at the departmental level covering both voted and non-voted provision. The operation of DELs is explained more fully in Section 3 of *HC 795* and the DELs, capital and resource, for 2002–03 were set out in Table 2.2 of *Central Government Supply – Estimates 2002–03 – Supplementary Budgetary Information (Cm 5510)*. The presumption is that DELs, once set, will not be changed (other than for transfer of provision between DELs), even if there are unexpected fluctuations in costs or other determinants of expenditure.

10. Aside from transfers, decisions to make substantive changes to DELs usually only arise where there has been a policy decision to make a significant change in a particular service. Changes will be announced to Parliament as soon as possible after the decision has been taken. Details of the announcement appear in the Notes to the relevant Estimate and are summarised in **Table 1.5**.

Administration Costs

11. **Table 1.6** in the Appendix shows the changes to individual departments' administration costs limits agreed since they were published in Tables 2.3 and 2.4 of *Cm 5510*.

Provisional outturn for the first half of 2001–02

12. **Table 1.7** gives provisional estimated outturn for expenditure in the first six months of the financial year of 2002–03 on all Estimates.

13. Estimated expenditure is compared with forecasts of expenditure in the first six months prepared by departments earlier in the financial year so all Estimates are shown in a form pre-dating the Machinery of Government changes announced in the summer.

14. Expenditure is currently estimated to be 2.4 per cent above forecast for the first half year.

Parliamentary Procedure

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

- (a) to seek authority, and additional resources and/or cash as necessary, for any new services;
- (b) to increase the provision for existing services;

- (c) to increase net resources if a shortfall is expected in income appropriated in aid;
or
- (d) to increase appropriations in aid.

16. 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 4 of *HC 795*.

**Format of Supplementary
Estimates**

17. Each Supplementary Estimate begins with an explanatory introduction explaining why different expenditure is being proposed. The format and organisation of Estimates are explained more fully in Section 2 of *HC 795*.

18. Part 1 of each Supplementary Estimate states as necessary the additional amounts of resources, capital, operating and non-operating appropriations in aid 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.

19. Part 11 of the Supplementary contains three tables. The first table identifies the Sections within each Request for Resources where changes are being proposed and also shows capital and cash. This is followed by a reproduction of the original Main Estimate Part 11 table showing the revised subhead detail including the additional provision sought for each subhead (including unchanged subheads) as a result of the Supplementary. The third table shows a reconciliation between the net resource total and the net cash requirement.

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

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

Appropriations in Aid

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

Public Expenditure:

- ★ A section of an Estimate which contains discretionary expenditure
- Φ Income receipts which are classified as negative in Resource Budget: DEL or Capital Budget: DEL in respect of income from capital receipts including assets sales and which are, exceptionally surrendered to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- △ Income receipts which are classified as negative in Resource Budget: AME or Capital Budget: AME and which are, exceptionally, surrendered direct to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- Extra income receipts which are classified as “other spending outside DEU and are surrendered direct to the Consolidated Fund as extra receipts

Statutory authority for expenditure:

- Items where provision is sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act

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

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

Appendix

Table 1.3 Supplementary Estimates by department

£'000s

| R/R Service | Present net provision | Resources Increase proposed | New net provision | Present requirement | Cash Increase proposed | New requirement |
|--|-----------------------|-----------------------------|-------------------|---------------------|------------------------|-----------------|
| Department for Education and Skills | | | | | | |
| 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 | 22,289,594 | 160,583 | 22,450,177 | 23,535,975 | 158,683 | 23,694,658 |
| 2 Promoting the physical, intellectual and social development of babies and young children through Sure Start | 21,691,108 | 160,583 | | | | |
| 3 Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund | 448,486 | | | | | |
| Department of Health | | | | | | |
| 1 Securing health care for those who need it | 49,124,711 | 550,742 | 49,675,453 | 49,077,072 | 663,812 | 49,740,884 |
| 2 Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health | 46,220,700 | 325,209 | | | | |
| | 2,904,011 | 225,533 | | | | |
| Food Standards Agency | | | | | | |
| 1 Protecting and promoting public health in relation to food | 120,349 | 16,950 | 137,299 | 117,675 | 16,950 | 134,625 |
| | 120,349 | 16,950 | | | | |
| Office of the Deputy Prime Minister | | | | | | |
| 1 Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action, and improving health and safety | 56,670,317 | 68,145 | 56,738,462 | 54,044,653 | 114,778 | 54,159,431 |
| 2 Promoting modern, integrated and safe transport and providing customer-focused regulation | 9,107,626 | 23,188 | | | | |
| 3 Promoting a system of elected government responding to the needs of local communities | 9,260,754 | 1 | | | | |
| 4 Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives | 37,800,698 | 35,657 | | | | |
| | 501,239 | 9,299 | | | | |
| Office of the Rail Regulator | | | | | | |
| 1 To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulations | 1 | – | 1 | 2,153 | 213 | 2,366 |
| | 1 | – | | | | |

Table 1.3 Supplementary Estimates by department (Continued)

£'000s

| RfR Service | Present net provision | Resources Increase proposed | New net provision | Present requirement | Cash Increase proposed | New requirement |
|---|--------------------------|-----------------------------------|----------------------|------------------------|------------------------------|--------------------|
| Home Office | 10,347,036 | 1,792,705 | 12,139,741 | 10,277,494 | 1,945,622 | 12,233,116 |
| 1 Building a safe, just and tolerant society | 8,018,460 | 1,722,533 | | | | |
| 2 Protecting the public by holding prisoners in decent conditions and reducing re-offending after release | 2,328,576 | 70,152 | | | | |
| Lord Chancellor's Department | 2,670,071 | 49,197 | 2,719,268 | 2,519,462 | 72,260 | 2,591,722 |
| 1 To promote the development of a modern, fair, cost effective and efficient system of justice for all | 2,670,071 | 49,197 | | | | |
| Public Record Office | 35,496 | 1,000 | 36,496 | 27,148 | 1,000 | 28,148 |
| 1 Assisting and promoting the study of the past in order to inform the present and the future | 35,496 | 1,000 | | | | |
| The Crown Prosecution Service | 397,598 | 58,490 | 456,088 | 392,942 | 60,190 | 453,132 |
| 1 Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | 397,598 | 58,490 | | | | |
| Serious Fraud Office | 21,750 | 5,000 | 26,750 | 22,350 | 5,000 | 27,350 |
| 1 Reducing fraud and the cost of fraud and delivering justice and the rule of law | 21,750 | 5,000 | | | | |
| Ministry of Defence | 32,815,674 | 392,517 | 33,208,191 | 26,091,927 | 729,844 | 26,821,771 |
| 1 Provision of Defence Capability | 31,287,813 | 178,668 | | | | |
| 2 Conflict prevention | 341,141 | 213,849 | | | | |
| 3 War Pensions and Allowances, etc | 1,186,720 | | | | | |
| International Development | 2,567,221 | 37,437 | 2,604,658 | 2,528,185 | 37,437 | 2,565,622 |
| 1 Eliminating Poverty in Poorer Countries | 2,531,567 | 32,437 | | | | |
| 2 Conflict Prevention | 35,654 | 5,000 | | | | |
| Department of Trade and Industry | 4,287,730 | 318,636 | 4,606,366 | 4,320,794 | 878,522 | 5,199,316 |
| 1 Increasing UK Competitiveness | 2,407,346 | 186,276 | | | | |
| 2 Increasing Scientific Excellence in the UK and maximising its contribution to society | 1,880,384 | 132,360 | | | | |

Table 1.3 Supplementary Estimates by department (Continued)

£'000s

| RfR Service | Resources | | | Cash | | |
|--|-----------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
| | Present net provision | Increase proposed | New net provision | Present requirement | Increase proposed | New requirement |
| British Trade international | 92,209 | 3,707 | 95,916 | 92,379 | 3,707 | 96,086 |
| 1 Enhanced competitiveness of companies in the UK through overseas sales and investment, and a continuing high level of quality, foreign and direct investment | 92,209 | 3,707 | | | | |
| Export Credit Guarantee Department | 226,633 | 50,357 | 276,990 | 368,583 | 56,577 | 425,160 |
| 1 Export Finance Assistance | 226,632 | 50,356 | | | | |
| 2 Trading Operations | 1 | 1 | | | | |
| Office of Fair Trading | 50,943 | 77 | 51,020 | 50,768 | 4,745 | 55,513 |
| 1 Advancing and safeguarding the economic interests of UK consumers | 50,943 | 77 | | | | |
| Office of Telecommunication | 759 | 1 | 760 | 544 | 1 | 545 |
| 1 Providing the best possible deal for telecommunications customers through effective competition | 759 | 1 | | | | |
| Department for Environment, Food and Rural Affairs | 2,208,289 | 175,280 | 2,383,569 | 2,230,676 | 420,023 | 2,650,699 |
| 1 Ensuring that consumers benefit from competitively priced food produced to high standards of safety, environmental care and animal welfare form a sustainable efficient food chain, and to contribute to well-being of rural and coastal communities | 1,968,190 | 47,280 | | | | |
| 2 Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee section as economically, efficiently and effectively as possible | 240,099 | 128,000 | | | | |
| Forestry Commission | 102,765 | 3,605 | 106,370 | 59,793 | 3,605 | 63,398 |
| 1 Protecting and expanding Britain's woodlands and increasing their value to society and the environment | 102,765 | 3,605 | | | | |
| Office of Water Services | 1 | 1,100 | 1,101 | 35 | 1,700 | 1,735 |
| 1 Regulation of the Water Industry | 1 | 1,100 | | | | |
| Department for Culture, Media and Sport | 3,484,217 | 61,700 | 3,545,917 | 3,478,787 | 70,867 | 3,549,654 |
| 1 Improving the quality of life through cultural and sporting activities | 1,229,333 | 61,700 | | | | |
| 2 Broadening access to a rich and varied cultural and sporting life through home broadcasting | 2,254,884 | – | | | | |
| Department for Work and Pensions | 56,378,751 | 744,447 | 57,123,198 | 56,223,393 | 842,515 | 57,065,908 |
| 1 Ensuring the best start for all children and ending child poverty in 20 years | 9,184,819 | 15,307 | | | | |
| 2 Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | 28,001,403 | 104,998 | | | | |
| 3 Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensions | 18,144,989 | 18,470 | | | | |

Table 1.3 Supplementary Estimates by department (Continued)

£'000s

| RfR Service | Present net provision | Resources Increase proposed | New net provision | Present requirement | Cash Increase proposed | New requirement |
|--|-----------------------|-----------------------------|-------------------|---------------------|------------------------|-------------------|
| 4 Modernising welfare delivery so as to improve the accessibility and accuracy of services | 151,844 | 325,017 | | | | |
| 5 Corporate contracts, support services and administration of the European Social Fund for England | 895,656 | 280,655 | | | | |
| Scotland Office | 16,563,342 | 1,429,177 | 17,992,519 | 16,562,902 | 1,429,177 | 17,992,079 |
| 1 Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | 16,563,342 | 1,429,177 | | | | |
| Wales Office | 8,671,983 | 79,612 | 8,751,595 | 8,672,614 | 79,612 | 8,752,226 |
| 1 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 | 8,671,983 | 79,612 | | | | |
| Northern Ireland Office | 9,267,634 | 66,114 | 9,333,748 | 9,268,796 | 71,690 | 9,340,486 |
| 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 | 1,178,634 | 66,114 | | | | |
| 2 Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 2000 | 8,089,000 | — | | | | |
| HM Treasury | 240,931 | 712 | 241,643 | 183,059 | — | 183,059 |
| 1 Raising the rate of sustainable growth, and achieving rising prosperity through creating economic and employment opportunities for all | 202,564 | 712 | | | | |
| 2 Cost effective management of the supply of coins and actions to protect the integrity of coinage | 38,366 | — | | | | |
| 3 Obtaining the best value for money from Government's commercial relationships on a sustainable basis | 1 | — | | | | |
| HM Customs and Excise | 1,055,887 | 59,378 | 1,115,265 | 1,049,170 | 59,378 | 1,108,548 |
| 1 Administering the indirect tax and customs control systems fairly and efficiently and enabling individuals and businesses to understand and comply with their obligations | 1,055,887 | 59,378 | | | | |
| Inland Revenue | 2,607,372 | 128,303 | 2,735,675 | 2,536,094 | 147,134 | 2,683,228 |
| 1 Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue | 2,390,871 | 117,302 | | | | |
| 2 Growing a contribution to the good management of property where the public interest is involved | 1 | 1 | | | | |
| 3 Providing payments in lieu of tax relief to certain bodies | 190,000 | 11,000 | | | | |
| 4 Making payments of rates, to Local Authorities on behalf of certain bodies | 26,500 | — | | | | |
| National Investment and Loans Office | 248 | 1 | 249 | 250 | 1 | 251 |
| 1 Providing high quality financial services to public sector clients | 248 | 1 | | | | |

Table 1.3 Supplementary Estimates by department (Continued)

£'000s

| RfR Service | Present net provision | Resources Increase proposed | New net provision | Present requirement | Cash Increase proposed | New requirement |
|--|--------------------------|-----------------------------------|----------------------|------------------------|------------------------------|--------------------|
| Office for National Statistics | 133,258 | 3,033 | | | | |
| 1 Providing Statistical and Registration Services | 133,258 | 3,033 | 136,291 | 143,354 | 5,768 | 149,122 |
| Crown Estate | 1,911 | 30,450 | 32,361 | 1,903 | 30,450 | 32,353 |
| 1 To maintain and enhance the value of the Crown Estate and the return obtained from it | 1,911 | 30,450 | | | | |
| Cabinet Office | 314,326 | 38,500 | 352,826 | 311,739 | 59,264 | 371,003 |
| 1 Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | 314,326 | 38,500 | | | | |
| Security and Intelligence Agencies | 944,865 | 81,840 | 1,026,705 | 901,195 | 100,970 | 1,002,165 |
| 1 Protecting and promoting the national security and economic well being of the UK | 911,634 | 81,840 | | | | |
| 2 Security Service and Secret Intelligence Service superannuation | 33,231 | - | | | | |
| Privy Council Office | 2,801 | 270 | 3,071 | 2,789 | 270 | 3,059 |
| 1 Ensuring the orderly conduct of Privy Council Office business | 2,801 | 270 | | | | |
| Total | | 7,398,907 | | | 8,993,329 | |

| Table 1.4 New Estimates by department | | £'000s |
|--|----------------------|-------------------------|
| RfR Service | Net Resources | Cash requirement |
| Department for Transport | 990,941 | 923,264 |
| 1. Promoting modern, integrated and safe transport and providing customer-focused regulation | 990,941 | |
| Total | 990,941 | 923,264 |

Table 1.5 Departmental Expenditure Limits for 2002-03

£'000s

| Departmental Expenditure Limits for 2002-03 Departmental Group | DEL change | Resources | | Winter | | Capital | | |
|---|------------------|--------------------|--------------------|-------------------|------------------|-------------------|-------------------|--------------------|
| | | New DEL | of which Voted | Non voted | DEL change | New DEL | of which Voted | Non-voted |
| Department for Education and Skills (1) | 72,619 | 20,251,696 | 7,842,111 | 12,409,585 | 84,875 | 3,248,670 | 1,930,211 | 1,318,459 |
| Department for Health (2) | 751,711 | 54,126,673 | 54,379,225 | -252,552 | -149,547 | 2,349,582 | 110,402 | 2,239,180 |
| Department for Transport | 3,253,235 | 3,253,235 | 1,862,956 | 1,390,279 | 5,675,238 | 5,675,238 | 3,362,095 | 2,313,143 |
| Office of the Deputy Prime Minister (Main) | -3,163,065 | 1,921,595 | 1,495,277 | 1,820,997 | -4,946,999 | 3,511,051 | 4,812,986 | 4,387,641 |
| Office of the Deputy Prime Minister (L.G.) | 27,967 | 37,403,935 | 37,303,206 | 100,729 | 7,169 | 281,028 | 273,028 | 8,000 |
| Office of the Rail Regulator | - | -684 | -684 | - | - | 190 | 190 | - |
| Home Office | 45,000 | 9,430,783 | 8,139,361 | 1,345,278 | 123,713 | 1,078,702 | 942,451 | 177,395 |
| Charity Commission | - | 25,105 | 25,005 | 100 | - | 1,359 | 1,359 | - |
| Lord Chancellor's Departments (3) | 46,971 | 2,777,230 | 2,497,813 | 279,417 | 20,895 | 123,923 | 69,572 | 54,351 |
| Attorney General's Departments (4) | 63,490 | 490,354 | 479,211 | 11,143 | 1,700 | 17,250 | 17,250 | - |
| Ministry of Defence | 277,224 | 19,142,668 | 18,752,958 | 389,710 | 110,620 | 5,842,145 | 5,765,717 | 76,428 |
| Foreign and Commonwealth Office | - | 1,318,597 | 1,144,565 | 174,032 | - | 145,241 | 109,441 | 35,800 |
| Department for International Development | 32,457 | 2,980,632 | 2,141,982 | 838,650 | - | 391,346 | 14,362 | 376,984 |
| Department of Trade and Industry | 187,346 | 3,722,729 | 1,142,958 | 2,579,771 | 218,879 | 1,040,515 | -15,607 | 1,056,122 |
| British Trade International | 3,707 | 95,838 | 95,838 | - | - | 248 | 248 | - |
| Export Credits Guarantee Department | - | - | - | - | - | 1,160 | 1,160 | - |
| Office of Fair Trading | 77 | 48,245 | 48,245 | - | - | 2,398 | 2,398 | - |
| Office of Telecommunications | 1 | 637 | -221 | 858 | - | 804 | 766 | 38 |
| Office of Gas and Electricity Markets | - | 221 | 221 | - | - | 579 | 579 | - |
| Postal Services Commission | - | -54 | -54 | - | - | 150 | 150 | - |
| Department for the Environment, Food and Rural Affairs | 245,339 | 1,842,196 | 1,475,257 | 366,939 | 77,667 | 616,524 | 519,141 | 97,383 |
| Forestry Commission | - | 53,598 | 50,945 | 2,653 | 3,605 | 10,855 | 850 | 10,005 |
| Office of Water Services | 1,100 | 541 | 541 | - | 600 | 1,135 | 1,135 | - |
| Department of Culture, Media and Sport (5) | 7,240 | 1,167,397 | 163,929 | 1,003,468 | 59,627 | 163,376 | 116,495 | 46,881 |
| Department for Work and Pensions | 620,767 | 7,513,746 | 5,898,414 | 1,615,332 | 107,356 | 238,428 | 225,524 | 12,904 |
| Scotland Office | 514,577 | 15,888,770 | 7,067 | 15,881,703 | - | 2,401,012 | 100 | 2,400,912 |
| Wales Office | 62,325 | 8,299,132 | 2,830 | 8,296,302 | - | 1,050,276 | 766 | 1,049,510 |
| Northern Ireland Departments | - | 5,515,433 | 55,000 | 5,515,433 | - | 615,746 | 5,000 | 615,746 |
| Northern Ireland Office | 55,000 | 1,147,309 | 1,123,689 | 23,620 | 5,000 | 64,553 | 63,977 | 576 |
| HM Treasury | -3,746 | 199,725 | 137,401 | 62,324 | 33 | 5,789 | 5,489 | 300 |
| HM Customs & Excise | 50,878 | 1,074,310 | 1,045,571 | 28,739 | - | 84,418 | 61,418 | 23,000 |
| Inland Revenue | 77,954 | 2,601,986 | 2,252,869 | 349,117 | 38,531 | 168,086 | 168,086 | - |
| National Savings and Investment | - | 156,898 | 155,398 | 1,500 | - | 300 | 300 | - |
| National Investment and Loans Office | -235 | - | - | - | -33 | - | - | - |
| Office for National Statistics | 771 | 128,236 | 121,614 | 6,622 | -1,003 | 22,063 | 22,063 | - |
| Government Actuary's Department | - | 508 | 491 | 17 | - | 231 | 231 | - |
| Cabinet Office (6) | -77,107 | 206,444 | 199,439 | 7,005 | 22,387 | 54,715 | 54,715 | - |
| Security and Intelligence Agency | 81,520 | 833,914 | 833,914 | - | 19,950 | 139,653 | 139,653 | - |
| Privy Council Office | 270 | 3,068 | 3,068 | - | - | - | - | - |
| Office of the Parliamentary Commissioner and Health Service Commissioners | - | 15,399 | 14,899 | 500 | - | - | - | - |
| House of Lords | - | 54,412 | 54,412 | - | - | 1,290 | 1,290 | - |
| House of Commons, Members salaries | - | 133,970 | 133,970 | - | - | 1,845 | 1,845 | - |
| House of Commons, administration | - | 126,772 | 126,772 | - | - | 15,012 | 15,012 | - |
| National Audit Office | - | 51,782 | 51,629 | 153 | - | 1,000 | 1,000 | - |
| Electoral Commission | - | 19,766 | 19,766 | - | - | 351 | 351 | - |
| Total | 3,235,393 | 204,024,747 | 151,228,858 | 54,249,424 | 1,078,702 | 29,368,237 | 18,803,199 | 116,300,758 |

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

(2) Includes Lord Chancellor's Department, Northern Ireland Court Service, Public Record Office and Land Registry.

(3) Includes Crown Prosecution Service, Serious Fraud Office and Treasury Solicitor's Department.

(4) Includes the Intervention Board - Executive Agency.

(5) Includes the National Lottery Commission.

(6) Includes Central Office of Information.

Table 1.6 Central government departments: changes in Administration cost limits

£'000s

| Admin costs limit | Changes in Admin costs limit | New limit |
|---|------------------------------|-----------|
| Department for Education and Skills | -264 | 216,996 |
| Office of Her Majesty's Chief Inspector of Schools in England | - | 30,095 |
| Department of Health | 6,136 | 324,663 |
| Food Standards Agency | 2,816 | 55,119 |
| Department of Transport | 479,446 | 479,446 |
| Office for Deputy Prime Minister | -562,389 | 345,319 |
| Home Office | 74,557 | 2,764,975 |
| Charity Commission | - | 25,125 |
| Serious Fraud Office | 1,120 | 16,510 |
| Foreign and Commonwealth Office | - | 678,042 |
| Lord Chancellor's Department | 19,315 | 639,888 |
| Crown Prosecution Service | 59,990 | 342,049 |
| Northern Ireland Court Service | - | 42,000 |
| Public Record Office | 1,000 | 34,226 |
| Department For International Development | - | 77,236 |
| Department of Trade and Industry | 17,483 | 423,187 |
| Office of Fair Trading | 77 | 49,062 |
| Office of Gas and Electricity Markets | - | 38,221 |
| Office of Water Services | 1,100 | 12,402 |
| Office of Telecommunications | 563 | 18,578 |
| Department for Work and Pension | 561,526 | 5,558,199 |
| Northern Ireland Office | 10,000 | 154,716 |
| Scotland Office | 200 | 6,702 |
| Wales Office | 500 | 2,830 |
| Department for the Environment, Food and Rural Affairs | 94,091 | 486,690 |
| Department for Culture, Media and Sports | 6,970 | 42,166 |
| HM-Treasury and OGC | 1,975 | 108,483 |
| HM-Customs and Excise | 59,181 | 1,015,504 |
| Inland Revenue | 79,459 | 2,646,069 |
| Cabinet Office | -75,614 | 164,613 |
| Privy Council Office | 270 | 3,108 |
| Office for National Statistics | 771 | 127,437 |
| Department of National Savings | 500 | 157,398 |
| National Investment and Loans Office | -2,018 | - |
| SIA | 27,205 | 477,256 |
| Total changes in administration cost limit | 865,966 | |

Table 1.7 Six months' provisional resource outturn by Request for Resources, 2002–03

£'000s

| RfR Service | 2002–03 | Expenditure in first six months | | |
|--|--|---------------------------------|---------------------|-------------------|
| | Total Resource Provision at Main Estimates | Forecast | Provisional Outturn | Per cent forecast |
| Department for Education and Skills | 22,289,524 | 9,761,560 | 11,423,124 | 117.07 |
| 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 | 21,691,108 | 9,677,560 | 11,332,476 | 117.10 |
| 2 Promoting the physical, intellectual and social development of babies and young children through Sure Start | 448,486 | 64,300 | 56,348 | 87.63 |
| 3 Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund | 150,000 | 19,700 | 39,300 | 199.49 |
| Teachers Pension Scheme | 1,760,000 | 899,950 | 718,890 | 79.83 |
| 1 Teachers' Pensions | 1,760,000 | 899,950 | 718,890 | 79.88 |
| Office of Her Majesty's Chief Inspector of Schools in England | 199,011 | 90,566 | 86,397 | 95.40 |
| 1 Improving the quality and standards of education and childcare through independent inspection, regulation & advice | 199,011 | 90,566 | 86,397 | 95.40 |
| Department of Health | 49,124,711 | 23,826,025 | 23,882,032 | 100.24 |
| 1 Securing health care for those who need it | 46,220,700 | 22,467,636 | 22,552,956 | 100.38 |
| 2 Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health | 2,904,011 | 1,358,389 | 1,329,076 | 97.84 |
| National Health Service Pension Scheme | 50,200 | 53,200 | 53,200 | 100.00 |
| 1 National Health Service Pension Scheme | 50,200 | 53,200 | 53,200 | 100.00 |
| Food Standards Agency | 120,349 | 60,116 | 58,300 | 96.98 |
| 1 Protecting and promoting public health in relation to food | 120,349 | 60,116 | 58,300 | 96.98 |
| Department for Transport, Local Government and the Regions | 56,670,317 | 27,626,026 | 27,687,191 | 100.22 |
| 1 Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action, and improving health and safety | 9,197,626 | 4,055,928 | 4,060,731 | 100.12 |
| 2 Promoting modern, integrated and safe transport and providing customer-focused regulation | 9,260,754 | 4,883,915 | 4,918,381 | 100.71 |
| 3 Promoting a system of elected government responding to the needs of local communities | 37,800,698 | 18,441,263 | 18,466,636 | 100.14 |
| 4 Providing for the administration of the Department for Transport, Local Government and the Regions and the Health and Safety Commission in meeting their objectives | 501,239 | 244,920 | 241,355 | 98.54 |
| Office of the Rail Regulator | | | | |
| 1 To create a better railway for passengers and freight, and better value for public funding authorities, through independent, fair and effective regulations | 1 | NA | NA | NA |
| Home Office | 10,347,036 | 5,173,700 | 7,331,640 | 141.71 |
| 1 Building a safe, just and tolerant society | 8,018,460 | 4,068,700 | 6,246,670 (1) | 153.53 |
| 2 Protecting the public by holding prisoners in decent conditions and reducing re-offending after release | 2,328,576 | 1,105,000 | 1,084,970 | 98.19 |

| Table 1.7 Six months' provisional resource outturn by Request for Resources, 2002–03 (Continued) | | £'000s | | |
|--|---|--|--------------------------------|------------------------------|
| RfR Service | 2002–03 Total Resource Provision at Main Estimates | Expenditure in first six months | | |
| | | Forecast | Provisional Outturn | Per cent forecast |
| Charity Commission | 25,785 | 11,900 | 11,500 | 96.64 |
| 1 Giving the public confidence in the integrity of charity | 25,785 | 11,900 | 11,500 | 96.64 |
| Lord Chancellor's Department | 2,670,071 | 1,476,195 | 1,522,970 | 103.17 |
| 1 To promote the development of a modern, fair, cost effective and efficient system of justice for all | 2,670,071 | 1,476,195 | 1,522,970 | 103.17 |
| Northern Ireland Court Service | 95,434 | 43,500 | 37,600 | 86.44 |
| 1 Supporting the effective and efficient administration of justice in Northern Ireland | 52,546 | 23,700 | 18,800 | 79.32 |
| 2 Enabling the Legal Aid Department of the Law Society of Northern Ireland to provide timely, accurate and cost effective legal aid administration and expenditure control | 42,888 | 19,800 | 18,800 | 94.95 |
| Public Record Office | 35,496 | 17,743 | 18,446 | 103.96 |
| 1 Assisting and promoting the study of the past in order to inform the present and the future | 35,496 | 17,743 | 18,446 | 103.96 |
| The Crown Prosecution Service | 397,598 | 203,300 | 202,400 | 99.56 |
| 1 Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | 397,598 | 203,300 | 202,400 | 99.56 |
| Serious Fraud Office | 21,750 | 12,815 | 12,677 | 98.92 |
| 1 Reducing fraud and the cost of fraud and delivering justice and the rule of law | 21,750 | 12,815 | 12,677 | 98.92 |
| HM Procurator General & Treasury Solicitor | 14,543 | 6,600 | 6,100 | 92.42 |
| 1 Providing comprehensive & competitive legal services to government departments & publicly funded bodies | 14,543 | 6,600 | 6,100 | 92.42 |
| Ministry of Defence | 32,815,674 | 16,145,140 | 17,365,613 | 107.56 |
| 1 Provision of Defence Capability | 31,287,813 | 15,304,438 | 16,508,486 | 107.87 |
| 2 Conflict prevention | 341,141 | 247,342 | 262,464 | 106.11 |
| 3 War Pensions and Allowances, etc | 1,186,720 | 593,360 | 594,663 | 100.22 |
| Armed Forces Retired Pay, Pensions etc | 1,401,131 | 700,566 | 673,344 | 96.11 |
| 1 Armed Forces Retired Pay, Pensions etc | 1,401,131 | 700,566 | 673,344 | 96.11 |
| Foreign and Commonwealth Office | 1,512,870 | 662,100 | 676,100 | 102.11 |
| 1 Promoting internationally the interests of the UK and contributing to a strong world community | 1,266,725 | 584,100 | 624,300 | 106.88 |
| 2 Conflict Prevention | 246,145 | 78,000 | 51,800 | 66.41 |
| International Development | 2,567,221 | 913,771 | 1,033,318 | 113.08 |
| 1 Eliminating Poverty in Poorer Countries | 2,531,567 | 913,771 | 1,033,318 | 113.08 |
| 2 Conflict Prevention | 35,654 | – | – | 100.00 |
| DFID: Overseas Superannuation | 118,134 | 47,200 | 46,500 | 98.52 |
| 1 Overseas Superannuation | 118,134 | 47,200 | 46,500 | 98.52 |
| Department of Trade and Industry | 4,287,730 | 1,985,336 | 1,712,355 | 86.25 |
| 1 Increasing UK Competitiveness | 2,407,346 | 1,034,536 | 713,711 | 68.99 |
| 2 Increasing Scientific Excellence in the UK and maximising its contribution to society | 1,880,384 | 950,800 | 998,644 | 105.03 |
| British Trade International | 92,209 | 34,800 | 36,400 | 104.60 |
| 1 Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality, foreign and direct investment | 92,209 | 34,800 | 36,400 | 104.60 |

Table L.7 Six months' provisional resource outturn by Request for Resources, 2002–03 (Continued)

£'000s

| RfR Service | 2002–03 Total Resource Provision at Main Estimates | Expenditure in first six months | | |
|--|---|---------------------------------|------------------------|----------------------|
| | | Forecast | Provisional Outturn | Per cent forecast |
| Department of Trade and Industry: | | | | |
| United Kingdom Atomic Energy Authority Superannuation Schemes | | | | |
| | 136,524 | 57,800 | 28,800 | 49.83 |
| 1 Effective management of United Kingdom Atomic Energy Authority Superannuation Schemes | 136,524 | 57,800 | 28,800 | 49.83 |
| Export Credits Guarantee Department | | | | |
| 1 Export Finance Assistance | 226,633 | 114,333 | 133,500 | 116.76 |
| 2 Trading Operations | 1 | NA | NA | NA |
| Office of Fair Trading | | | | |
| 1 Advancing and safeguarding the economic interests of UK consumers | 50,943 | 21,729 | 19,943 | 91.78 |
| | 50,943 | 21,729 | 19,943 | 91.78 |
| Office of Telecommunications | | | | |
| 1 Providing the best possible deal for telecommunications customers through effective competition | 759 | 8,184 | 8,026 | 98.07 |
| | 759 | 8,184 | 8,026 | 98.07 |
| Office of Gas and Electricity Markets | | | | |
| 1 Protecting consumers by regulating monopolies and promoting competition in the electricity and gas industry | 221 | NA | NA | NA |
| 2 Expenditure in connection with the Climate Change Levy | 1 | – | – | – |
| | 220 | | | |
| Postal Services Commission | | | | |
| 1 Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition | 1 | NA | NA | NA |
| | 1 | – | – | – |
| Department for Environment, Food and Rural Affairs | | | | |
| 1 Ensuring that consumers benefit from competitively priced food produced to high standards of safety, environmental care and animal welfare form a sustainable efficient food chain, and to contribute to well-being of rural and coastal communities | 2,208,289 | 1,031,700 | 897,000 | 86.94 |
| | 1,968,190 | 912,600 | 777,900 | 85.24 |
| 2 Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee section as economically, efficiently and effectively as possible | 240,099 | 119,100 | 119,100 | 100.00 |
| Forestry Commission | | | | |
| 1 Protecting and expanding Britain's woodlands and increasing their value to society and the environment | 102,765 | 51,300 | 48,400 | 94.35 |
| | 102,765 | 51,300 | 48,400 | 94.35 |
| Office of Water Services | | | | |
| 1 Regulation of the Water Industry | 1 | NA | NA | NA |
| | 1 | – | – | – |
| Department for Culture, Media and Sport | | | | |
| 1 Improving the quality of life through cultural and sporting activities | 3,484,217 | 1,642,241 | 1,892,785 | 115.26 |
| | 1,229,333 | 424,186 | 670,753 | 158.13 |
| 2 Broadening access to a rich and varied cultural and sporting life through home broadcasting | 2,254,884 | 1,218,055 | 1,222,032 | 100.33 |
| Department for Work and Pensions | | | | |
| 1 Ensuring the best start for all children and ending child poverty in 20 years | 56,378,751 | 27,279,552 | 27,532,698 | 100.93 |
| | 9,184,819 | 4,634,052 | 4,632,357 | 99.96 |
| 2 Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need | 28,001,403 | 13,952,063 | 13,894,534 | 99.59 |
| 3 Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners | 18,144,989 | 8,141,885 | 8,165,666 | 100.29 |
| 4 Modernising welfare delivery so its to improve the accessibility and accuracy of services | 151,884 | 69,842 | 260,236 | 372.61 |
| 5 Corporate contracts, support services and administration of the European Social Fund for England | 895,656 | 481,709 | 579,905 | 120.38 |

Table 1.6 Six months' provisional resource outturn by Request for Resources, 2002–03 (Continued)

£'000s

| RfR Service | 2002–03 Total Resource Provision at Main Estimates | Expenditure in first six months | | |
|--|---|---------------------------------|------------------------|----------------------|
| | | Forecast | Provisional Outturn | Per cent forecast |
| Scotland Office | 16,563,342 | 8,281,671 | 8,163,905 | 98.58 |
| 1 Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | 16,563,342 | 8,281,671 | 8,163,905 | 98.58 |
| Wales Office | 8,671,983 | 5,229,265 | 5,229,265 | 100.00 |
| 1 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 | 8,671,983 | 5,229,265 | 5,229,265 | 100.00 |
| Northern Ireland Office | 9,267,634 | 4,633,817 | 4,160,000 | 89.77 |
| 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 | 1,178,634 | 589,317 | 525,000 | 89.09 |
| 2 Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 2000 | 8,089,000 | 4,044,500 | 3,635,000 | 89.88 |
| HM Treasury | 240,931 | 123,884 | 50,853 | 41.05 |
| 1 Raising the rate of sustainable growth, and achieving rising prosperity through creating economic and employment opportunities for all | 202,564 | 111,096 | 41,409 | 37.27 |
| 2 Cost effective management of the supply of coins and actions to protect the integrity of coinage | 38,366 | 12,788 | 9,444 | 73.85 |
| 3 Obtaining the best value for money from Government's commercial relationships on a sustainable basis | 1 | NA | NA | NA |
| HM Customs and Excise | 1,055,887 | 520,900 | 538,500 | 103.38 |
| 1 Administering the indirect tax and customs control systems fairly and efficiently and enabling individuals and businesses to understand and comply with their obligations | 1,055,887 | 520,900 | 538,500 | 103.38 |
| Inland Revenue | 2,607,372 | 1,232,828 | 1,145,579 | 92.92 |
| 1 Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue | 2,390,871 | 1,126,019 | 1,032,517 | 91.70 |
| 2 Growing a contribution to the good management of property where the public interest is involved | 1 | NA | NA | NA |
| 3 Providing payments in lieu of tax relief to certain bodies | 190,000 | 89,035 | 96,368 | 108.24 |
| 4 Making payments of rates to Local Authorities on behalf of certain bodies | 26,500 | 17,775 | 16,694 | 93.92 |
| National Savings and Investments | 159,170 | 77,758 | 75,900 | 97.61 |
| 1 Reducing the costs to the taxpayer of government borrowing | 159,170 | 77,758 | 75,900 | 97.61 |
| National Investment and Loans Office | 248 | NA | NA | NA |
| 1 Providing high quality financial services to public sector clients | 248 | – | – | – |
| Office for National Statistics | 133,258 | 68,200 | 68,200 | 100.00 |
| 1 Providing Statistical and Registration Services | 133,258 | 68,200 | 68,200 | 100.00 |

Table I.6 Six months' provisional resource outturn by Request for Resources, 2002-03 (Continued)

£'000s

| R/R Service | 2002-03 Total Resource Provision at Main Estimates | Expenditure in first six months | | |
|--|---|---------------------------------|------------------------|----------------------|
| | | Forecast | Provisional Outturn | Per cent forecast |
| Government Actuary's Department | 896 | 600 | 800 | 133.33 |
| 1 Providing an actuarial consultancy service | 896 | 600 | 800 | 133.33 |
| Crown Estate | 1,911 | 856 | 1,048 | 122 |
| 1 To maintain and enhance the value of the Crown Estate and the return obtained from it | 1,911 | 856 | 1,048 | 122 |
| Cabinet Office | 314,326 | 158,800 | 185,300 | 116.69 |
| 1 Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | 314,326 | 158,800 | 185,300 | 116.69 |
| Security and Intelligence Agencies | 944,865 | 466,316 | 483,076 | 103.59 |
| 1 Protecting and promoting the national security and economic well being of the UK | 911,634 | 450,817 | 467,837 | 103.78 |
| 2 Security Service and Secret Intelligence Service superannuation | 33,231 | 15,499 | 15,239 | 98.32 |
| Civil Superannuation | 1,176,977 | 759,915 | -324,276 | -42.67 |
| 1 Civil Superannuation | 1,176,977 | 759,915 | -324,276 (1) | -42.67 |
| Central Office of Information | 716 | 450 | 350 | 77.78 |
| 1 Achieving maximum communication effectiveness with best value for money | 716 | 450 | 350 | 77.78 |
| Privy Council Office | 2,801 | 1,393 | 1,589 | 114.07 |
| 1 Ensuring the orderly conduct of Privy Council Office business | 2,801 | 1,393 | 1,589 | 114.07 |
| Office of the Parliamentary Commissioner and Health Service Commissioner for England | 15,799 | 7,940 | 7,810 | 98.36 |
| 1 To undertake the work of the Parliamentary Commissioner for Administration and Health Service Commissioner for England | 15,799 | 7,940 | 7,810 | 98.36 |
| House of Lords | 85,303 | 41,400 | 41,400 | 100.00 |
| 1 Peers' Expenses and Administration | 39,181 | 18,600 | 18,600 | 100.00 |
| 2 Works Services | 46,122 | 22,800 | 22,800 | 100.00 |
| House of Commons | 136,162 | 66,700 | 64,500 | 96.70 |
| 1 Members' salaries etc | 130,807 | 64,100 | 61,900 | 96.57 |
| 2 Grants to other bodies | 5,355 | 2,600 | 2,600 | 100.00 |
| House of Commons: administration | 213,382 | 103,600 | 105,000 | 101.35 |
| 1 House of Commons: administration | 212,202 | 102,700 | 104,100 | 101.36 |
| 2 Grants to other bodies | 1,180 | 900 | 900 | 100.00 |
| National Audit Office | 51,629 | NA | NA | NA |
| 1 Providing independent assurance to Parliament on central government expenditure | 51,629 | | | |
| Electoral Commission | 20,284 | NA | NA | NA |
| 1 Electoral Commission | 20,284 | | | |
| Grand Total | 290,871,045 | 141,735,239 | 145,160,957 | 102.42 |

(1) Provisional outturn figures include a payment of £1.6bn from the Home Office to the Cabinet Office (Civil Superannuation) in respect of pension transfers for Metropolitan Police Civil Staff.

Section 2.

Supplementary Estimates

Department for Education and Skills

Introduction

This Supplementary Estimate is required for the following purposes:

1. RfR1 will be amended as follows:-
 - (i) The Ambit amended to include the working capital grants and loans for capital purchases through the Connexions Service;
 - (ii) An addition to the list of Appropriations in Aid for receipts from the sale of surplus properties;
 - (iii) The take up of £66,000,000 of End Year Flexibility to support discretionary expenditure on measures to tackle street crime and pupil behaviour: £50,000,000 for schools and £16,000,000 for the Connexions Service;
 - (iv) The take up of £85,000,000 from the Capital Modernisation Fund: £77,500,000 for Schools and £7,500,000 for Further Education;
 - (v) The return of £28,000 to the Invest to Save Budget to correct an over allocation of funds;
 - (vi) Transfers from the Home Office of £6,198,000 for Community Champions (£1,000,000), for Community Finance and Learning Initiative (£10,000), for prison education services (£1,938,000) and for the Higher Education Funding Council for England (£3,250,000); from the Office of the Deputy Prime Minister (ODPM) of £100,000 for Community Champions; from the Department of Trade and Industry (DTI) of £550,000 for Inward Investments (£520,000) and for Community Finance and Learning Initiative (£30,000); from the Department for Transport of £800,000 for a project to address the training and skill in the Road Haulage Industry; from the Office for National Statistics of £97,000 for the Neighbourhood Statistics programme; from the Department of Health of £8,120,000 for Healthy Schools Partnerships (£4,000,000) and for Drugs Education (£4,120,000); and from the Department for Work and Pensions of £3,600,000 for the Adult Learning Inspectorate;
 - (vii) Transfers to the Home Office of £173,000 for the Mentor Point Initiative (£150,000), for the Black Training and Enterprise Group (£10,000) and Foyer Federation (£13,000); to the Department for Work and Pension of £7,758,000 for the Disability Rights Commission (£1,842,000), for Adult Basic Skills (£5,000,000), for Administration Costs (£40,000) and £876,000 for Ranmoor Hall, Sheffield (£831,000 for resource, £100,000 for capital and £55,000 for receipts); to the ODPM of £1,350,000 for secondments to Government Offices (£750,000), for Youth Work Activity (£189,000), for Government Offices (£250,000) and for Adult Basic Skills (£161,000); to the National Assembly for Wales of £557,000 for Higher Education Hardship (Access) Funds; and to the DTI of £116,000 for Engineering and Marine Training Authority Marine Skills;
 - (viii) Movements from Section A of £17,747,000 and from Section E of £41,500,000 to Section R for the Learning and Skills Council (LSC) Grant in Aid; from Section N of £35,000,000 to Section R for UK On-line Centres and from Section N of £2,500,000 to Section P for the Cybrarian project; within Section R, movement of £4,000,000 of Capital Grants to the LSC Grant in Aid; and within Section E, movement of £42,500,000 from other current to grants due to technical re-classification of the expenditure;
 - (ix) Increase in the gross provision and Appropriations in Aid on Section C by £275,000 to recycle the Department's share of the sale of Outterburn Hall. Increase in the gross capital provision and non-operating Appropriations in Aid on Section G by £1,300,000 for the sale of the East Lane property in Runcorn; and an increase in the Appropriations in Aid on Section G by £1,800,000 to recycle property receipts of the National College for School Leadership with a corresponding increase of the annually managed expenditure on Section M;
 - (x) As a result of all changes there is an increase in Net Cash Requirement of £158,683,000.
 - (xi) The symbols used are explained in the Introduction to this booklet.

Part I

| | £ |
|--|--------------------|
| RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills.† | 160,583,000 |
| Total net resource requirement | 160,583,000 |
| Additional net cash requirement | 158,683,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Department for Education and Skills on:

RfR1: 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 ballet schools; support for the Academy of Gifted and Talented Youth; City Technology Colleges; the provision of education for under-fives; the school curriculum and its assessment; childcare initiatives; education action zones; modernising the teaching profession and other educational services and initiatives; initiatives to write-off student loans to teachers in England and Wales; class size reductions; initiatives for three year olds; school and local education authority intervention; specialist schools; excellence in cities and other specific grants to local authorities including those through the Standards Fund; Grant in Aid to the National College of School Leadership, the Teacher Training Agency, the British Educational Communications and Technology Agency, and the Qualifications and Curriculum Authority; support for the Centre for Information Learning Technology; capital grants to schools including those through the Standards Fund; the youth service; careers guidance and services through the Connexions Service including working capital grants and loans for capital purchases; higher, further and other education provision and initiatives, including the Higher Education Innovation Fund, the Science and Research Investment Fund and Higher Education Business Fellows; payments for education in prisons and other custodial institutions; student grants; the payment of access funds and education maintenance allowances; the provision of training and assessment programmes for young people and adults; initiatives to improve education, training and qualifications arrangements and access to these; the promotion of enterprise; teacher training initiatives; payments to the Department for Work and Pensions to support the UK subscription to the International Labour Organisation and other international educational programmes; Millennium Volunteers; the payment of certain fees to the Home Office; loans and grants to the University for Industry; payments related to the establishment of the Sector Skills Development Agency and Sector Skills Councils; payments to the Department of Trade and Industry in connection with the Regional Development Agencies and the London Development Agency; loans and residual costs of the winding up of the Training and Enterprise Councils (TECs); the distribution of residual TEC assets, returned to the Secretary of State under the terms of the TEC Licence, to local voluntary, community and business support organisations; the resource consequences of loans to students, reimbursement of fees for qualifying European Community students and post graduate awards; mandatory student awards and their administration; student loans and the cost of sales of the student loans debt; Grant in Aid to the Higher Education Funding Council for England, the Learning and Skills Council, the Adult Learning Inspectorate, Investors in People UK, the Student Loans Company and Sector Skills Development Agency; Grant in Aid, grants and working capital loans to the General Teaching Council; the Department's own administration and research and payments for the administration of teachers' pensions; information and publicity services; initiatives and programmes supported by the European Union, the Capital Modernisation Fund and with other Government Department's under the Invest to Save Budget; compensation payments to teachers and staff of certain institutions and teachers' medical fees; and associated non-cash items.

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

promoting the physical, intellectual and social development of babies and young children; supporting families and communities; evaluating the programme; the administration of the Sure Start Unit; and associated non-cash items.

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

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

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

†£518,000 has been advanced from the Contingencies Fund to provide cash in respect of £518,000 resources supporting the repayment of outstanding loans to certain newly qualified teachers. A corresponding cash amount is required to enable repayment to be made to the Fund.

Part II Changes proposed

| | | | | £'000 | |
|--|------------------------------|---------------------------------|---------------------|-------------------------------|-----------|
| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | |
| Resources | | | | New Net Provision | |
| RfR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| Central Government spending | | | | | |
| RfR 1 – A Support for Schools and Teachers not paid through Local Education Authorities | 661,446 | –19,739 | – | –19,739 | 641,707 |
| RfR 1 – C Support for Young People | 518,272 | 15,313 | 275 | 15,038 | 533,310 |
| RfR 1 – D Higher Education | 157,721 | –557 | – | –557 | 157,164 |
| RfR 1 – E Further Education, Adult Learning and Skills and Lifelong Learning | 547,392 | –43,021 | – | –43,021 | 504,371 |
| RfR 1 – G Activities to Support all Functions | 235,249 | –1,185 | 1,745 | –2,930 | 232,319 |
| <i>Support for Local Authorities</i> | | | | | |
| RfR 1 – I Grants for Local Education Authorities to Support Schools and Teachers | 3,180,322 | 58,120 | – | 58,120 | 3,238,442 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| RfR 1 – M Cost of Capital, Depreciation and Provisions | 9,789 | 1,800 | – | 1,800 | 11,589 |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | |
| RfR 1 – N Capital Grants to Schools and Other Educational Institutions plus Grant in Aid to NDPBs | 2,160,229 | 40,000 | | 40,000 | 2,200,229 |
| RfR 1 – P Capital Support for Young People | 5,520 | 2,500 | – | 2,500 | 8,020 |
| RfR 1 – Q Loans, Capital Grants and Grant in Aid to NDPBs supporting Higher Education | 4,958,518 | 3,250 | – | 3,250 | 4,961,768 |
| RfR 1 – R Capital Grants Supporting Further and Adult education and Grant in Aid to NDPBs | 7,348,055 | 106,122 | – | 106,122 | 7,454,177 |
| Total RfR1 | | 162,603 | 2,020 | 160,583 | |
| | | | | £'000 | |
| | Present Provision | Change in Provision | | New Provision | |
| Capital and cash | | | | | |
| Total Capital Expenditure | 2,217,809 | 1,200 | | 2,219,009 | |
| Non-Operating A-in-A | 326,931 | 1,300 | | 328,231 | |
| Net cash requirement | 23,535,975 | 158,683 | | 23,694,658 | |

Part II Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|---|---------------|------------|-------------|--------|------------|-----------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1: 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 | | | | | | | | |
| | 219,240 | 273,492 | 21,371,258 | 21,863,990 | 12,299 | 21,851,691 | 2,217,984 | 328,231 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government spending | | | | | | | | |
| ★A | Support for Schools and Teachers not paid through Local Education Authorities | | | | | | | |
| | - | 15,000 | 627,572 | 642,572 | 865 | 641,707 | - | - |
| ★B | Childcare | | | | | | | |
| | - | - | 186,201 | 186,201 | 1 | 186,200 | - | - |
| ★C | Support for Young people | | | | | | | |
| | - | 33,593 | 499,992 | 533,585 | 275 | 533,310 | - | - |
| ★D | Higher Education | | | | | | | |
| | - | 6,833 | 150,407 | 157,240 | 76 | 157,164 | - | - |
| ★E | Further Education, Adult Learning and Skills and Lifelong Learning | | | | | | | |
| | - | 184,656 | 320,815 | 505,471 | 1,100 | 504,371 | 20,000 | - |
| ★F | Support for Students in Higher Education | | | | | | | |
| | - | - | 1,455,439 | 1,455,439 | - | 1,455,439 | - | - |
| ★G | Activities to Support all Functions | | | | | | | |
| | 209,451 | 31,610 | 1,030 | 242,091 | 9,772 | 232,319 | 11,274 | -1,875 |
| ★H | Compensation to former College of Education Staff | | | | | | | |
| | - | - | 10,951 | 10,951 | - | 10,951 | - | - |
| | <i>Support for Local Authorities</i> | | | | | | | |
| ★I | Grants for Local Education Authorities to Support Schools and Teachers | | | | | | | |
| | - | - | 3,238,442 | 3,238,442 | - | 3,238,442 | 610 | 1,356 |
| J | Higher Education Fees and Awards through Local Education Authorities | | | | | | | |
| | - | - | 60,400 | 60,400 | - | 60,400 | - | - |
| ★K | Education Maintenance Allowances | | | | | | | |
| | - | - | 186,305 | 186,305 | - | 186,305 | - | - |
| ★L | Learning Partnership Fund | | | | | | | |
| | - | - | 6,300 | 6,300 | - | 6,300 | - | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| Non-cash items | | | | | | | | |
| M | Cost of Capital, Depreciation and Provisions | | | | | | | |
| | 9,789 | 1,800 | - | 11,589 | - | 11,589 | - | - |
| Other Spending Outside Departmental Expenditure Limits | | | | | | | | |
| N | Capital Grants to Schools and Other Educational Institutions plus Grant in Aid to NDPBs | | | | | | | |
| | - | - | 2,200,439 | 2,200,439 | 210 | 2,200,229 | - | - |
| O | Childcare Capital | | | | | | | |
| | - | - | 3,000 | 3,000 | - | 3,000 | - | - |
| P | Capital Support for Young People | | | | | | | |
| | - | - | 8,020 | 8,020 | - | 8,020 | - | - |
| Q | Loans, Capital Grants and Grant in Aid to NDPBs supporting Higher Education | | | | | | | |
| | - | - | 4,961,768 | 4,961,768 | - | 4,961,768 | 2,186,100 | 325,000 |
| R | Capital Grants Supporting Further & Adult Education & Grant in Aid to NDPBs | | | | | | | |
| | - | - | 7,454,177 | 7,454,177 | - | 7,454,177 | - | - |

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

| | Resources | | | | | Capital | | £'000 |
|--|----------------|----------------|-------------------|-------------------|---------------|-------------------|------------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR2: Promoting the physical, intellectual and social development of babies and young children through Sure Start | 4,099 | 5,711 | 438,676 | 448,486 | – | 448,486 | 1,025 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government spending | | | | | | | | |
| ★A Sure Start Administration Costs and Current Grants | 4,099 | 5,600 | 275,693 | 285,392 | – | 285,392 | 1,025 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| Non-cash items | | | | | | | | |
| B Depreciation and Cost of Capital on Non-Civil Estate | – | 111 | – | 111 | – | 111 | – | – |
| Other Spending Outside Departmental Expenditure Limits | | | | | | | | |
| C Sure Start Capital Grants | – | – | 162,983 | 162,983 | – | 162,983 | – | – |
| RfR3: Tackling child poverty and social exclusion by helping vulnerable children and young people, and their families, to break the cycle of deprivation and disadvantage through the Children's Fund | 4,435 | – | 145,565 | 150,000 | – | 150,000 | – | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government spending | | | | | | | | |
| ★A The Children's Fund | 4,435 | – | 145,565 | 150,000 | – | 150,000 | – | – |
| Total | 227,774 | 279,203 | 21,955,499 | 22,462,476 | 12,299 | 22,450,177 | 2,219,009 | 328,231 |

Part II: Resource to cash reconciliation

| | Present | Increase/+ Decrease– | £'000 Revised |
|---|-------------------|-------------------------|-------------------|
| Net total Resources | 22,289,594 | 160,583 | 22,450,177 |
| Voted capital items | | | |
| Capital expenditure | 2,217,809 | 1,200 | 2,219,009 |
| <i>less non-operating A in A</i> | 326,931 | 1,300 | 328,231 |
| Total net voted capital | 1,890,878 | -100 | 1,890,778 |
| Accruals to cash adjustments: | | | |
| Cost of capital charges | -3,565 | -1,330 | -4,895 |
| Depreciation | -8,619 | -470 | -9,089 |
| New provisions and adjustments to previous provisions | -1,251 | | -1,251 |
| Other non-cash items | -636,562 | | -636,562 |
| Increase(+)/decrease (-) in stock | - | | - |
| Increase(+)/decrease (-) in debtors | 5,500 | | 5,500 |
| Increase(-)/decrease (+) in creditors | - | | - |
| Use of provisions | - | | - |
| Total accruals to cash adjustments | -644,497 | -1,800 | -646,297 |
| Excess cash to be CFERd | - | - | - |
| Net cash requirement | 23,535,975 | 158,683 | 23,694,658 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | | £'000 |
|---------------------------------------|------------|-------------------|
| | | Provision |
| | | 2002-03 |
| Net Administration Costs | | |
| RfR1 | 209,888 | |
| RfR2 | 4,099 | |
| RfR3 | 4,435 | |
| Total Net Administration Costs | | 218,422 |
| Net Programme Costs | | |
| RfR1 | 21,641,803 | |
| RfR2 | 444,387 | |
| RfR3 | 145,565 | |
| Total Net Programme costs | | 22,231,755 |
| TOTAL NET OPERATING COST | | 22,450,177 |
| <i>of which:</i> | | |
| NET RESOURCE OUTTURN | | 22,450,177 |
| CFERs | | - |
| Non-voted expenditure | | - |
| RESOURCE BUDGET OUTTURN | | 20,157,139 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|--|-------------------|
| | Provision |
| | 2002–03 |
| Net Resource Outturn (Estimates) | 22,450,177 |
| <i>Adjustment for:</i> | |
| Consolidated Fund Extra Receipts (CFERs) in the OCS | – |
| Net Operating Costs (Accounts) | 22,450,177 |
| <i>Adjustments for:</i> | |
| Full resource consumption of non-public bodies | –413,205 |
| Capital Grants to the private sector and local authorities | –1,909,833 |
| Gains/Losses from sale of capital assets | – |
| European Union income and related adjustments | – |
| Unallocated resource provision | 30,000 |
| Resource Budget Outturn (Budget) | 20,157,139 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 20,057,885 |
| Annually Managed Expenditure (AME) | 99,254 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|------------------|
| | Provision |
| | 2002–03 |
| Net Voted Capital Outturn (Estimates) | 1,890,778 |
| Full capital expenditure by non-departmental public bodies | 501,959 |
| Capital Grants to the private sector, LAs and PCs | 1,909,833 |
| Gains/Losses from sale to capital assets | – |
| Local authority credit approvals | 806,200 |
| Student Loans Cash Payments | –1,861,100 |
| Capital Budget Outturn | 3,247,670 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 3,246,470 |
| Annually Managed Expenditure (AME) | 1,200 |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Department for Education and Skills as Principal Accounting Officer for the Department with overall responsibility for preparing the Department's Estimate.

In addition, the Treasury has appointed additional accounting officers to be accountable for part of the Department's accounts relating to specified requests for resources and the associated assets, liabilities and cash flows. These appointments do not detract from the Head of Department's overall responsibility as Accounting Officer for the Department's Estimate and overall net cash requirement.

The allocation of accounting officer responsibilities in the Department for Education and Skills is as follows:

Request for Resources 1: Mr David Normington, Principal Accounting Officer and Permanent Head of the Department.

Request for Resources 2: Ms Naomi Eisenstadt, Additional Accounting Officer: Director of Sure Start Unit

Request for Resources 3: Ms Althea Efunshile, Additional Accounting Officer: Director of the Children and Young People's Unit

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*. Under the terms of the Accounting Officers' Memorandum, the relationship between the Department for Education and Skills Principal and Additional Accounting Officers, together with their respective responsibilities is set out in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|----------------|------------------|
| | Provision | |
| | 2002–03 | |
| | Operating | Non- |
| | A in A | operating |
| | A in A | A in A |
| RFR 1: To help build a competitive economy and inclusive society by: creating opportunities for everyone to develop their learning; releasing potential in people to make the most of themselves; and achieving excellence in standards of education and levels of skills | | |
| Educational qualifications | 150 | |
| ERASMUS | 76 | |
| Promoting UK Education and support overseas | 689 | |
| Other International Receipts | 25 | |
| The International Maths Olympiad | | |
| SENT receipts from Other Government Departments | | |
| Support for Key Skills | | |
| Education Transfer Council residual receipts | 1 | |
| Home Start receipt from the Home Office | | |
| FAS residual property receipts | | |
| Childcare Strategy | 1 | |
| Grant-maintained schools loan receipts | | 250 |
| Voluntary aided school capital | 210 | |
| Voluntary aided school interest receipts | | |
| Voluntary aided school loan repayments | | 1,106 |
| Sector Challenge | | |
| Career Development Loans | 1,100 | |
| Individual Learning Accounts | | |
| Local Competitiveness Budget | | |
| HEROBIC | | |
| Publicity and evaluation | 420 | |
| European Social Fund Support for departmental programmes | | |
| General Administration receipts | 7,442 | |
| Rent from minor occupiers | 1,910 | |
| Profit on Disposal of assets | | |
| Admin receipts – land | | 319 |
| Admin receipts – other | | 256 |
| Repayment of principal on student loans | | 325,000 |
| TEC rent & property receipts | | |
| Receipt for Dance and Drama students | | |
| Higher Education Business Fellows (from DTI) | | |
| Small Business Service receipts for Investors in People | | |
| Higher Education Innovation Fund (from DTI) | | |
| Sale of Connexions priced publications | | |
| Sponsorship Funding | | |
| Receipts covering the return of assets from Training and Enterprise Councils as part of their winding-up process | | |
| Receipt from the DTI for the Science and Research Investment Fund | | |
| European Education Programmes | | |
| Sale of surplus properties | 275 | 1,300 |
| Total RFR1 | 12,299* | 328,231** |

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

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

Departmental Expenditure Limits and Administration Costs Limits

As announced to the House of Commons on XXX the Departmental Expenditure Limit (DEL) (including the Office of Her Majesty's Chief Inspector of Schools (OFSTED), which has a separate Estimate) will change as follows:

| Resources | £000 | Capital | £000 |
|-----------|------------|-----------|-----------|
| Change | 72,619 | Change | 84,875 |
| New DEL | 20,056,696 | New DEL | 3,246,470 |
| of which: | | of which: | |
| Voted | 7,647,111 | Voted | 1,928,011 |
| Non Voted | 12,409,585 | Non Voted | 1,318,459 |

Note: The change to resource DEL quoted above takes account of the actual reduction to Sure Start and the Children's Fund DEL which are not shown in this Supplementary due to Parliament procedure.

The Administration Cost Limit for RfR1 has been decreased by £1,185,000 from £208,726,000 to £207,541,000 the Administration Costs Limit for RfR2 has been increased by £1,351,000 from £4,099,000 to £5,450,000; for RfR3 the Administration Costs Limit has been decreased by £430,000 from £4,435,000 to £4,005,000.

Note: The actual increase and decrease to Sure Start and the Children's Fund described above respectively are not shown in the Supplementary due to Parliamentary procedure.

Adjustable Advances

Payments on account on the basis of uncertified claims will be made periodically as required to organisations covered by this Estimate and charged at the time of issue. Any necessary adjustments will be made in subsequent net payments of grant.

Cash which may be retained to offset expenditure

£'000

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid.

340,530

Contingent Liabilities

£'000

Non-Statutory

The Department will meet the accrued Civil Service redundancy entitlement to date of resignation 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:

6,000

- their TEC makes them redundant due to direct government action during their first five years of employment
- a court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes.

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 return of residual reserves owing to the Secretary of State at the earliest opportunity. The indemnities will include:

| | |
|---|---------|
| Liabilities that arise from audit work carried out in respect of the delivery of activities funded through the European Union initiatives or through the Single Regeneration Budget and other schemes sponsored by Government Departments other than DfES and DTI; | 136,600 |
| Liabilities that arise from the transfer of TEC/CCTE functions to successors, including from staff who have transferred or been made redundant, who as a result of the transfer seek redress through the Employment Tribunal; and | 6,900 |
| Liabilities arising from properties leased by TECs/CCTEs that they have been unable to dispose of by the time they wind up. The Department may take over these leases and dispose of them on behalf of TECS/CCTEs. | 1,800 |
| In order to ensure the Croydon Local Learning and Skills Council (LLSC) commences 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 Learning and Skills Council (LSC) ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history. | 6,880 |
| In order to ensure the Learning and Skills Council (LSC) commences 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 LSC ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the LSC is an unknown body with no financial history. | 76,000 |
| In order to ensure the Adult Learning Inspectorate (ALI) commences operations in April 2001 and because no suitable Departmental property exists in the Coventry area an indemnity to give landlords a guarantee that, in the event of the ALI ceasing to exist the Secretary of State will take over the lease. This is because, to the landlord, the ALI is an unknown body with no financial history. | 5,600 |
| An indemnity to cover the cost of re-assessing trainees who are disadvantaged by flaws in the awarding of National Vocational Qualifications by the Road Transport Industry Training Board. | 390 |
| Arrangement to allow the appointment of a receiver to manage the affairs of Nottingham Enterprise Ltd (formerly North Nottingham TEC). | 2,000 |
| Contract with CfBT for the provision of services relating to the government's drive to raise standards through the primary and Key Stage 3 strategies. | 560 |

Grant in Aid

Details of Grant in Aid made by the Department to Non-Departmental Public Bodies (NDPBs) and Public Corporations

| Non-Departmental Public Body | £000 |
|--|-------------|
| Adult Learning Inspectorate (ALI) ♥ | 24.9 |
| Sector Skills Development Agency ♦ ¹ | - |
| British Educational Communications and Technology Agency (BECTA) ♦ | 4.8 |
| Higher Education Funding Council for England (HEFCE) ♥ | 4,927.6 |
| Investors in People UK (IiP UK) ♦ | 1.7 |
| Learning and Skills Council ♥ | 7,386.3 |
| National College for School Leadership ♦ | 61.2 |
| Qualifications and Curriculum Authority ♥ | 69.9 |
| Student Loans Company ♦ | 29.3 |
| Teacher Training Agency ♥ | 384.5 |
| ¹ The Grant in Aid for the Sector Skills Development Agency was not yet finalised at time of publication. | |
| Public Corporation | £000 |
| General Teaching Council ♥ | 1.7 |

International subscriptions

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.

RfR 1 Sections by function

| Estimate Section | Function/Programme | Resource £ million | Capital £ million |
|------------------|---|-----------------------|----------------------|
| A | Assisted Places Scheme | 46.5 | |
| | Music and Ballet Scheme | 12.6 | |
| | City Technology Colleges | 69.7 | |
| | Qualifications (other than through the QCA) | 25.3 | |
| | Early Years/Under Fives | 17.5 | |
| | International Services | 19.5 | |
| | Education Action Zones | 61.0 | |
| | Modernising the Teaching profession (other than through the Teacher's Training Agency) | 222.6 | |
| | Other Miscellaneous Programmes | 167.0 | |
| | Subtotal | 641.7 | |
| B | Childcare | 186.2 | |
| C | Connexions | 459.3 | |
| | National Youth Associations/National Voluntary Youth Organisations/Transforming Youth Work Development Fund | 18.2 | |
| | Neighbourhood Support Fund | 10.0 | |
| | Millennium Volunteers | 15.0 | |
| | Educational Maintenance Allowances (not through Local Authorities) | 5.4 | |
| | Other Miscellaneous Programmes | 25.4 | |
| | Subtotal | 533.3 | |
| D | Student Support (other than through the Student Loans Company) | 1.5 | |
| | Higher Education Initiatives (other than through HEFCE) | 18.9 | |
| | Access Funds | 120.7 | |
| | British Academy | 13.0 | |
| | EUI Subscriptions | 3.0 | |
| | Subtotal | 157.1 | |
| E | Further Education initiatives (other than through the Learning and Skills Council) | 53.2 | |
| | FE Student Loans | | 20.0 |
| | Education in prisons and other custodial institutions | 68.4 | |
| | Adult Basic Skills and Adult Learning | 119.7 | |
| | Payments to support Regional Development Agencies | 47.5 | |
| | Individual Learning Accounts | 72.0 | |
| | Career Development for Adults | 31.8 | |
| | Inward Investment | 3.5 | |
| | Improving the Training Market | 29.8 | |
| | Community Champions | 3.9 | |
| | University for Industry | 56.7 | |
| | ILO Subscription | 7.2 | |
| | Union Learning Fund | 7.0 | |
| | Learning Partnership Fund (not through Local Authorities) | 3.7 | |
| | Subtotal | 504.4 | 20.0 |
| F | Tuition Fees and dependants Allowances paid through the Student Loans Company | 591.4 | |
| | Student Loans | 863.5 | |
| | Other Miscellaneous programmes | 0.5 | |
| | Subtotal | 1,455.4 | |

RfR 1 Sections by function (continued)

| Estimate Section | Function/Programme | Resource £ million | Capital £ million |
|------------------|--|-----------------------|----------------------|
| G | Departmental Administration | 200.1 | 9.4 |
| | Publicity and Research | 25.2 | |
| | Other Miscellaneous programmes | 7.0 | |
| | Subtotal | 232.3 | 9.4 |
| H | Compensation to former College of Education staff | 11.0 | |
| I | Grants to Local Education Authorities to support Schools and Teachers | 3,238.4 | (0.7) |
| J | Higher Education Fees and Awards (through Local Education Authorities) | 60.4 | |
| K | Education Maintenance Allowances (through Local Education Authorities) | 186.3 | |
| L | Learning Partnership Fund (through Local Authorities) | 6.3 | |
| M | Non cash items (Depreciation, cost of capital and provisions) | 11.6 | |
| N | Capital Grants: | | |
| | VA and former Grant Maintained Schools | 285.7 | |
| | Standards Fund | 1,169.0 | |
| | City Academy | 46.0 | |
| | City Technology Colleges Capital | 2.6 | |
| | Nursery Places Capital | 20.0 | |
| | CMF projects | 156.5 | |
| | Grant in Aid to Non-Departmental Public Bodies: | | |
| | Teacher Training Agency | 384.5 | |
| | British Educational Communications and Technology Agency (BECTA) | 4.8 | |
| | Qualifications and Curriculum Authority | 69.9 | |
| | National College for School Leadership | 61.2 | |
| | Subtotal | 2,200.2 | |
| O | Childcare Capital | 3.0 | |
| P | Capital support for Young People | 8.0 | |
| Q | Student Loan payments | | 1,861.1 |
| | CMF & ISB projects | 4.9 | |
| | Grant in Aid to Non-Departmental Public Bodies: | | |
| | Higher Education Funding Council for England | 4,927.6 | |
| | Student Loans Company | 29.3 | |
| | Subtotal | 4,961.8 | 1,861.1 |
| R | Capital Grants: | | |
| | CMF and ISB projects | | |
| | Grant in Aid to Non-Departmental Public Bodies: | 39.7 | |
| | Learning and Skills Council | 7,386.3 | |
| | Adult Learning Inspectorate | 24.9 | |
| | LiP UK Ltd | 1.7 | |
| | General Teaching Council | 1.7 | |
| | Subtotal | 7,454.8 | |
| | TOTAL | 21,851.7 | 1,889.8 |

Department of Health

Introduction

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

RfR1

- i) To reflect take up of End Year Flexibility (£404,844,000) for current provision as set out in Table 6 of the 2001-02 Provisional Outturn White Paper Cm 5574 published in July 2002.
- ii) Take up of Capital Departmental Unallocated Provision £100,000,000.
- iii) To reflect transfers between other Departments. From Home Office £1,388,000 for community projects relating to people with severe personality disorder, including (£450,000) capital provision for Broadmoor hospital. From Scotland £385,000 for a contribution to the Nursing Midwives Council. Offset by a transfer to the Department for Education and Skills £4,120,000 for drug prevention programmes.
- iv) To reflect internal transfers and reallocations to RfR2.
- v) To transfer £184,000,000 from Subhead N2 to Subhead A2 following a change in the level of NHS Trust depreciation.

RfR2

- vi) To reflect transfers from RfR1.
 - vii) To reflect transfers between other Departments. From Office of National Statistics £130,000 including capital of (£3,000) for Neighbourhood Statistics Programme. From Department of Trade and Industry £75,000 for a contribution to the human genetics commission. From Home Office £2,527,000 for match funded social care projects, for a survey into smoking, drinking and drug use by young people and a contribution to the Victoria Climbié Inquiry. Offset by transfers to Home Office £15,000 for a grant to Mediation UK and Department for Education and Skills £4,000,000 for the healthy schools programme.
 - viii) To open a new subhead AJ for Building Care Capacity.
2. To reflect changes in the levels of appropriations in aid.
3. A change in the level of creditors following a European Union ruling on the Late Payment Directive has resulted in an increase of £164,000,000 in the level of cash required in calculating the net cash requirement in addition to the changes in RfR1 and RfR2 mentioned above.
4. Symbols are explained in the introduction to this booklet.

Part I

| | £ |
|--|--------------------|
| RfR 1: Securing health care for those who need it. | 325,209,000 |
| RfR 2: Securing social care and child protection for those who need it and, at national level, protecting, promoting and improving the nation's health. | 225,533,000 |
| Total net resource requirement | 550,742,000 |
| Additional net cash requirement | 663,812,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Department of Health on:

RfR1: Securing health care for those who need it.

health authorities and primary care trusts under their unified budgets, family health services (including general medical, general ophthalmic, general dental and pharmaceutical services); public dividend capital advances to trusts, education, training, research and development; centrally managed expenditure on behalf of the NHS; assistance to the General Dental Council to moderate professional registration; forming, investing in or providing loans or guarantees to companies that will provide facilities or services to the NHS, services provided to or on behalf of the Scottish Executive, National Assembly for Wales and Northern Ireland, and associated non cash items.

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

administration, including certain expenditure on behalf of the Department for Work and Pensions and the National Health Service in England; departmental agencies, centrally funded health and social services (including non-departmental public bodies and special health authorities some of which are administered on a United Kingdom basis); including other local government services, medical, scientific and technical services, services for disabled persons, grants to voluntary organisations and other bodies, research and development, information services and health promotion activities; provision of personal social services (including grants to local authorities); medical treatment given to people from the United Kingdom in other countries of the European Economic Area; welfare food; Home Office inspection of laboratories; grants in aid; payments and subscriptions to international organisations; prison health care; education and training for all health care professionals (excluding doctors); the Employment Opportunities Fund programme; payments made under Sector Challenge arrangements with the Department of Trade and Industry; services provided to or on behalf of the Scottish Executive, National Assembly for Wales and Northern Ireland; the hospital costs of any UK citizens injured as a result of terrorist action in the USA on 11/09/01 that had no medical insurance, and associated non cash items.

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

Part II: Changes proposed

| | | | | | | £'000 |
|---|--|--------------------------|---------------------------------|---------------------|-------------------------------|----------------------|
| | | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | New Net Provision |
| Resources | | | | | | |
| RfR1: Securing health care for those who need it | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR1 – A | Health authorities unified budget and central allocations. | 46,741,046 | 309,489 | 280 | 309,209 | 47,050,255 |
| RfR1 – B | FHS – general medical services | 1,710,483 | 200,000 | – | 200,000 | 1,910,483 |
| Other spending outside Departmental Expenditure Limits | | | | | | |
| RfR1 – N | Grant in aid to Non Departmental Public Bodies, NHS trust loans and other central capital grants | 98,460 | –184,000 | – | –184,000 | –85,540 |
| Total RfR1 | | | 325,489 | 280 | 325,209 | |
| RfR2: Securing social care and child protection for those who need and, at national level, protecting, promoting and improving the nation's health | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2 – A | Central department | 270,416 | 9,807 | 3,265 | 6,542 | 276,958 |
| RfR2 – C | Medical Devices Agency | 7,548 | –406 | 19 | –425 | 7,123 |
| RfR2 – E | Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services | 184,408 | –6,951 | 2,910 | –9,861 | 174,547 |
| RfR2 – F | Welfare food and European Economic Area medical costs | 328,500 | 28,000 | – | 28,000 | 356,500 |
| RfR2 – G | Other personal social services | 59,354 | 1,178 | – | 1,178 | 60,532 |
| RfR2 – H | Non Departmental Public Bodies revenue advances | 32,141 | 1,155 | 180 | 975 | 33,116 |
| RfR2 – M | Promoting Independence Grant | 862,000 | 9,247 | – | 9,247 | 871,247 |
| RfR2 – O | Children's services grant | 451,000 | –157 | – | 157 | 450,843 |
| RfR2 – P | Deferred Payments grant | 30,000 | –12,500 | – | –12,500 | 17,500 |
| RfR2 – Q | Care Direct | 10,000 | –74 | – | –74 | 9,926 |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2 – AC | Grant in Aid funding of Non Departmental Public Bodies and special health authorities | 192,504 | 7,086 | –6,022 | 13,108 | 205,612 |
| RfR2 – AF | Children's services grant (capital) | 10,000 | –500 | – | –500 | 9,500 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2 – AJ | Building Care Capacity | – | 190,000 | – | 190,000 | 190,000 |
| Total RfR2 | | | 225,885 | 352 | 225,533 | |
| Total Changes to RfRs | | | 551,374 | 632 | 550,742 | |

| | Present Net Provision | Change in Provision | £'000 New Provision |
|-----------------------------|--------------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total capital expenditure | 2,629,565 | –46,656 | 2,582,909 |
| Non-operating A-in-A | 1,400,394 | 3,708 | 1,404,102 |
| Net cash requirement | 49,077,072 | 663,812 | 49,740,884 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|-----------|---------------|-----------|-------------|-----------|------------|-----------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1:Securing health care for those who need it. | – | 54,586,247 | 949,460 | 55,535,707 | 8,989,798 | 46,545,909 | 2,569,754 | 1,400,000 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | |
| ★A: Health authorities unified budget and central allocations. | – | 46,846,323 | 356,212 | 47,202,535 | 152,280 | 47,050,255 | 257,373 | 300,000 |
| B: FHS - general medical services | – | 1,910,483 | – | 1,910,483 | – | 1,910,483 | – | – |
| C: FHS - pharmaceutical services | – | 911,391 | – | 911,391 | – | 911,391 | – | – |
| D: FHS - prescription charges income | – | 2,500 | – | 2,500 | 436,280 | –433,780 | – | – |
| E: FHS - general dental services | – | 1,644,700 | – | 1,644,700 | 461,900 | 1,182,800 | – | – |
| F: FHS - general ophthalmic services | – | 306,850 | – | 306,850 | 50 | 306,800 | – | – |
| <i>Support for local authorities</i> | | | | | | | | |
| ★G: Health authority grants to local authorities | – | – | 448,788 | 448,788 | – | 448,788 | – | – |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| H: Health authorities unified budget and central allocations. | – | 1,846,729 | – | 1,846,729 | – | 1,846,729 | – | – |
| I: FHS - general medical services | – | –10,470 | – | –10,470 | – | –10,470 | – | – |
| J: FHS - pharmaceutical services | – | –8,824 | – | –8,824 | – | –8,824 | – | – |
| K: FHS - prescription charges income | – | 5,511 | – | 5,511 | – | 5,511 | – | – |
| L: HS - general dental services | – | –12,301 | – | –12,301 | – | –12,301 | – | – |
| M: FHS - general ophthalmic services | – | –1,645 | – | –1,645 | – | –1,645 | – | – |
| Other spending outside Departmental Expenditure Limits | | | | | | | | |
| N: Grant in aid to Non Departmental Public Bodies, NHS Trust loans and other central capital grants | – | 1,145,000 | 144,460 | 1,289,460 | 1,375,000 | –85,540 | 2,312,381 | 1,100,000 |
| O: NHS Contributions | – | – | – | – | 6,564,288 | –6,564,288 | – | – |
| RfR2: Securing social care and child protection for those who need it and at national level, protecting, promoting and improving the nation's health | 354,852 | 288,253 | 2,669,315 | 3,312,420 | 182,876 | 3,129,544 | 13,155 | 4,102 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central government expenditure</i> | | | | | | | | |
| ★A: Central department | 286,718 | 7,000 | – | 293,718 | 16,760 | 276,958 | 12,308 | 3,709 |
| ★B: NHS Pensions Agency | 19,072 | – | – | 19,072 | 850 | 18,222 | 268 | – |
| ★C: Medical Devices Agency | 7,492 | – | – | 7,492 | 369 | 7,123 | 150 | – |
| ★D: NHS Purchasing and Supplies Authority | 19,029 | 145 | – | 19,174 | 145 | 19,029 | 100 | – |
| ★E: Other services including medical, scientific and technical services, grants to voluntary bodies, Research and development and information services | – | 131,286 | 46,805 | 178,091 | 3,544 | 174,547 | – | – |
| F: Welfare food and European Economic Area medical costs | – | 121,500 | 265,000 | 386,500 | 30,000 | 356,500 | – | – |
| ★G: Other personal social services | – | 35,949 | 24,583 | 60,532 | – | 60,532 | – | – |
| ★H: NDPBs revenue advances | – | – | 59,188 | 59,188 | 26,072 | 33,116 | – | – |
| <i>Support for local authorities</i> | | | | | | | | |
| ★I: Training support programme | – | – | 57,500 | 57,500 | – | 57,500 | – | – |
| ★J: AIDS support grant | – | – | 16,500 | 16,500 | – | 16,500 | – | – |
| ★K: Services for people with mental illness. | – | – | 153,443 | 153,443 | – | 153,443 | – | – |
| ★L: Provision for secure accommodation. | – | – | 14 | 14 | – | 14 | – | – |
| ★M: Promoting Independence grant | – | – | 871,247 | 871,247 | – | 871,247 | – | – |
| ★N: Carers' grant | – | – | 85,000 | 85,000 | – | 85,000 | – | – |
| ★O: Children's services grant | – | – | 450,843 | 450,843 | – | 450,843 | – | – |
| ★P: Deferred payments grant | – | – | 17,500 | 17,500 | – | 17,500 | – | – |
| ★Q: Care Direct | – | – | 9,926 | 9,926 | – | 9,926 | – | – |
| ★R: Performance Fund | – | – | 50,000 | 50,000 | – | 50,000 | – | – |
| ★S: Young people's substance misuse planning grant | – | – | 4,500 | 4,500 | – | 4,500 | – | – |
| ★T: Teenage pregnancy local implementation grant | – | – | 16,000 | 16,000 | – | 16,000 | – | – |

Part II: Revised subhead detail including additional provision (continued)

| | Resources | | | | | | Capital | £'000 |
|---|----------------|-------------------|------------------|-------------------|------------------|-------------------|------------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| U: Central department | 22,072 | 500 | – | 22,572 | – | 22,572 | – | – |
| V: NHS Pensions Agency | 105 | 25 | – | 130 | – | 130 | – | – |
| W: Medical Devices Agency | 289 | 3 | – | 292 | – | 292 | – | – |
| X: NHS Purchasing and Supplies Authority | 75 | 2 | – | 77 | – | 77 | – | – |
| Y: Other services including medical, scientific and technical services, grants to voluntary bodies, research and development and information services | – | 342 | – | 342 | – | 342 | – | – |
| Z: Welfare food and European Economic Area medical costs | – | –8,556 | – | –8,556 | – | –8,556 | – | – |
| Other spending outside Departmental Expenditure Limits | | | | | | | | |
| AA: NHS Estates Agency: dividend on public dividend capital and repayment of loans | – | – | – | – | 23 | –23 | – | 64 |
| AB: Medicines Control Agency: dividend on public dividend capital and payment and repayment of loans | – | – | – | – | 177 | –177 | 329 | 329 |
| AC: Grant in Aid funding of Non-departmental public bodies and special health authorities | – | – | 310,538 | 310,538 | 104,926 | 205,612 | – | – |
| AD: Provision for secure accommodation (capital) | – | – | 6,228 | 6,228 | – | 6,228 | – | – |
| AE: Improving information management (capital) | – | – | 25,000 | 25,000 | – | 25,000 | – | – |
| AF: Children's services grant (capital) | – | – | 9,500 | 9,500 | – | 9,500 | – | – |
| AG: Other | – | 27 | – | 27 | – | 27 | – | – |
| AH: Central department profit and loss on disposal of assets | – | – | – | – | 10 | –10 | – | – |
| AI: Medical Devices Agency profit and loss on disposal of assets | – | 30 | – | 30 | – | 30 | – | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Support for local authorities</i> | | | | | | | | |
| ★AJ: Building Care Capacity | – | – | 190,000 | 190,000 | – | 190,000 | – | – |
| TOTAL | 354,852 | 54,874,500 | 3,618,775 | 58,848,127 | 9,172,674 | 49,675,453 | 2,582,909 | 1,404,102 |

Part II: Resource to cash reconciliation

| | Present | Increase/Decrease | £'000 Revised |
|---|-------------------|-------------------|-------------------|
| Net total Resources | 49,124,711 | 550,742 | 49,675,453 |
| Voted capital items | | | |
| Capital expenditure | 2,629,565 | –46,656 | 2,582,909 |
| less: non-operating A in A | 1,400,394 | 3,708 | 1,404,102 |
| Total net voted capital | 1,229,171 | –50,364 | 1,178,807 |
| Accruals to cash adjustments: | | | |
| Cost of capital charges | 177,074 | –12 | 177,062 |
| Depreciation | –299,164 | 6 | –299,158 |
| New provisions and adjustments to previous provisions | –1,717,086 | – | –1,717,086 |
| Other non-cash items | –792 | – | –792 |
| Increase(+)/decrease (–) in stock | 19 | – | 19 |
| Increase(+)/decrease (–) in debtors | 139,683 | –560 | 139,123 |
| Increase(–)/decrease (+) in creditors | –276,398 | 164,000 | –112,398 |
| Use of provisions | 699,854 | – | 699,854 |
| Total accruals to cash adjustments | –1,276,810 | 163,434 | –1,113,376 |
| Excess cash to be CFER'd | – | – | – |
| Net cash requirement | 49,077,072 | 663,812 | 49,740,884 |

Part III: Extra receipts payable to the Consolidated fund

As in existing provision

Forecast Operating Costs Statement

| | £'000 2002-03 Provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| Request for Resources 2 | 340,515 |
| Total Net Administration Costs | 340,515 |
| Net Programme Costs | |
| Request for Resources 1 | 46,545,909 |
| Request for Resources 2 | 2,788,940 |
| Total Net Programme costs | 49,334,849 |
| Total NET OPERATING COST | 49,675,364 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 49,675,453 |
| CFERS | -89 |
| RESOURCE BUDGET OUTTURN | 56,608,837 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 Provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 49,675,453 |
| <i>Adjustments for:</i> | |
| Consolidated Fund Extra Receipts in the OCS | -89 |
| Net Operating Costs (Accounts) | 49,675,364 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts | 89 |
| Full resource consumption of non-departmental public bodies | 30,636 |
| Full resource consumption of public corporations | 1,476,274 |
| Capital grants to the private sector and local authorities | -133,228 |
| Gains/losses from sale of capital assets | -20 |
| Voted expenditure outside the budget | 5,419,261 |
| NHS Trust depreciation | -1,145,000 |
| NHS Contributions | 6,564,288 |
| Other minor budgets | -27 |
| Unallocated resource provision | 126,361 |
| Other adjustment | 14,100 |
| Resource Budget Outturn (Budget) | 56,608,837 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 53,992,685 |
| Annually Managed Expenditure (AME) | 2,616,152 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 Provision |
|---|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 1,178,807 |
| Full capital expenditure by non-departmental public bodies | 39,203 |
| Full capital expenditure by public corporations | 913,791 |
| Capital grants to the private sector, local authorities and PCs | 133,228 |
| Gains/losses from sale of capital assets | 20 |
| Local authority credit approvals | 55,729 |
| Provision voted for earlier years | 28,167 |
| Capital Budget Outturn | 2,348,945 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 2,348,945 |
| Annually Managed Expenditure (AME) | - |

Explanation of Accounting Officer responsibilities

The Permanent Head/NHS Chief Executive of the Department of Health, Mr Nigel Crisp, has been appointed by Treasury as Accounting Officer for the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum issued by the Treasury and published in Government Accounting.

Analysis of Appropriations in Aid

| | £'000 2002-03 Provision | |
|---|-------------------------------|-----------------------------|
| | Operating A in A | Non- operating A in A |
| RfR1: Securing health care for those who need it. | 152,280 | — |
| Charges for accommodation, goods and services to private and NHS patients and others; income generation schemes; medical and dental education levy; income from the licensing of software; income from Ashworth Special Hospital, the Mental Health Act Commission, the Centre for Pharmacy Postgraduate Education, the Prescription Pricing Authority, the Dental Practice Board, and Regional Offices; income from the Scottish Executive, the National Assembly for Wales and Northern Ireland for services provided for devolved or reserved work. Rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and Purchasing and Supply Agency arrangements. | | |
| NHS prescription charges | 436,280 | — |
| Dental charges | 461,900 | — |
| Recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services | 50 | — |
| Contributions by employers and employees towards the cost of the NHS | 6,564,288 | — |
| Principal and interest payments on NHS Trusts loans and repayments of, and dividends on public dividend capital advances by or on behalf of NHS Trusts. | 1,375,000 | 1,100,000 |
| Capital income from sale of land, buildings, surplus vehicles and equipment. | — | 300,000 |
| Total RfR1 | | |

* Amount that may be applied as appropriations in aid in addition to the net total arising from : charges for accommodation , goods and services to private and NHS patients, local authorities and others; income from income generation schemes; income in respect of medical and dental education levy; income in respect of high security psychiatric services at Ashworth Special Hospital; income in respect of the Mental Health Act Commission; income in respect of the Centre of Pharmacy Postgraduate Education; income from the licensing of software; income from intellectual property; income of the Prescription Pricing Authority and the Dental Practice Board; Prescription fraud charges; income from NHS prescription and dental charges; recoveries from patients in respect of incorrect claims for eligibility for general ophthalmic services; receipts from penalty charges for incorrect claims for relief from NHS charges or eligibility for general ophthalmic services; rebates and discounts from manufacturers under the Pharmaceutical Price Regulation Scheme and the Purchasing and Supply Agency arrangements; income in respect of Regional Offices; Contributions from employers and employees towards the cost of the NHS; income from the Scottish Executive, the National Assembly for Wales and Northern Ireland, Channel Islands and Isle of Man for services provided, or for devolved or reserved work.

**Amount that may be applied as non operating appropriations in aid in addition to the net total arising from capital income from the sale of land, buildings, surplus vehicles and equipment, principal and interest payments on NHS Trust loans.

Analysis of Appropriations in Aid

| | £'000 | |
|---|------------------|----------------|
| | 2002-03 | |
| | Provision | |
| | Operating | Non- |
| | A in A | operating |
| | A in A | A in A |
| RfR2: Securing social care and child protection for those who need it and, at a national level, protecting, promoting and improving the nation's health. | | |
| Administration receipts for: seconded officers; welfare to work/New deal programmes; staff telephone calls; costs of legal proceedings; staff lease cars scheme; European Fast Stream programme; recoveries from other departments and the NHS, local authorities, NHS Estates and Medicines Control Agency for goods and services, staff accommodation, reimbursement of meeting expenses and selling services into wider markets, library income and open government. | 16,760 | 3,709 |
| NHS Pensions Agency: income from mis-sold pensions, assessing pensions on divorce and from contractors. | 850 | - |
| Medical Devices Agency receipts: from manufacturers registration scheme, product approval scheme, sales of publications and Competent Authority Activities. | 369 | - |
| NHS Purchasing and Supplies Authority: receipts for seconded officers, staff telephone calls, reimbursement of meetings expenses and staff lease car scheme. | 145 | - |
| Licence fees, royalties and sales of publications, evaluation reports, British Pharmacopocia Chemical Reference Substances, contributions by members of the public, insurance claims, sale of cars, sector challenge receipts from Department of Trade and Industry, mobile phone research contributions. | 3,544 | - |
| Income from Human Fertilisation and Embryology Authority, National Biological Standards Board, Public Health Laboratory Service, Microbiological Research Authority, Health Development Agency, National Care Standards Commission, General Social Care Council. | 130,998 | - |
| European Economic Area countries for NHS treatment of their residents. | 28,000 | - |
| Income from sale of subsidised dried milk. | 2,000 | - |
| Dividend on public dividend capital by the Medicines Control Agency and the NHS Estates Agency repayment of loans. | 200 | 393 |
| Sales of land, buildings and equipment. | 10 | - |
| RfR2 Total | 182,876 * | 4,102** |

*Amount that may be applied as appropriations in aid in addition to the net total arising from: Administration receipts from seconded officers; cost of legal proceedings; Employment Opportunities Fund programme; Manufacturers Registration Scheme and Product Approval Scheme; staff telephone calls; staff lease car scheme; European Fast Stream programme; recoveries from other government departments; receipts from the NHS, local authorities, NHS Estates and Medicines Control Agency for goods and services; staff accommodation; reimbursement of meetings expenses and selling services into wider markets, library income and open government; income by the NHS Pensions Agency for dealing with mis-sold pensions, assessing pensions on divorce and from contractors; receipts from commercial tenants in DH buildings; NHS Purchasing and Supplies Authority: receipts for seconded officer, staff telephone calls, reimbursement of meeting expenses and staff lease car scheme; licence fees and royalties; sales of publications on equipment for the disabled; sales of British Pharmacopocia Chemical Reference substances; sale of community homes, evaluation reports, equipment, cars, buildings, furniture and surplus items; from Competent Authority Activities and contractors; sale of publications; contributions by members of the public; insurance claims. Receipts by the Human Fertilisation and Embryology Authority, National Biological Standards Board, Public Health Laboratory Service, Microbiological Research Authority, Health Development Agency, General Social Care Council and National Care Standards Commission; from other European Economic Area countries for NHS treatment of their residents; sale of subsidised dried milk; receipts made under Sector Challenge arrangements with the Department of Trade and Industry, from the European Community and contributions from the mobile phone industry. Charitable contributions for developing pilot projects with voluntary organisations. Refunds from communication campaigns contracts and

contributions towards the cost of communication campaigns. Income from publications, Income from the Scottish Executive, the National Assembly for Wales, Northern Ireland, Channel Islands and Isle of Man for services provided, or for devolved or reserved work.

** Amounts that may be applied as non operating appropriations in aid arising from repayment of, and dividends on Public Dividend Capital advances by or on behalf of NHS Trusts, Medicines Control Agency and NHS Estates Agency.

Analysis of Consolidated Fund Extra Receipts

| | £000 | |
|--|----------------------|------------|
| | 2002-03 Provision | |
| | Income | Receipts |
| Operating income not classified as A-in-A | | |
| NHS Estates Agency – interest on loans.● | –8 | –8 |
| Medicines Control Agency – interest on loans.● | –81 | –81 |
| Total | –89 | –89 |

Departmental Expenditure Limits and administration costs limits

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

| Resources | | Capital | |
|-----------|----------------|-----------|---------------|
| Change | 734,761,000 | Change | –149,547,000 |
| New DEL | 53,992,685,000 | New DEL | 2,348,945,000 |
| of which: | | of which: | |
| Voted | 54,245,237,000 | Voted | 109,765,000 |
| Non Voted | –252,552,000 | Non Voted | 2,239,180,000 |

The administration costs limit for the Department for Health will increase by £6,136,000 from £318,527,000 to £324,663,000.

Expenditure resting on the sole authority of the Appropriation Act

The following contains provision sought under the sole authority of Part I of the Estimate and the Confirming Appropriations Act

| | £'000 |
|---|-------|
| RfR1A: Grant to General Dental Council to assist modernisation of professional regulation ■ | 65 |
| RfR2A: United Kingdom Xenotransplantation Interim Regularity Authority ■ | 112 |
| RfR2 E: Payments to local authorities for public health services at airports ■ | 2,348 |
| RfR2E: Grants to voluntary organisations to expand opportunities for unemployed people to participate in voluntary work ■ | 6,900 |
| RfR2 E: Grants to voluntary organisations for administration of the Multiple Sclerosis drug risk-sharing scheme ■ | 100 |
| RfR2 G: Child Migrants Support fund ■ | 300 |
| RfR2 G: Payments in respect of lay and user involvement in social services inspections ■ | 200 |

Cash which may be retained to offset expenditure

Cash which may be retained by the departments to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid.

The Department estimates that it will retain £9,172,674,000.

Food Standards Agency

Introduction

1. This Supplementary Estimate is required to incorporate the Food Standard Agency's End Year Flexibility (EYF) entitlement, comprising £14,134,000 programme and £2,816,000 administration costs. The underspend from 2001/02 will be carried forward into 2002/03 to address future FSA and Meat Hygiene Service funding pressures which have already been identified. The FSA manages its resource spend over the three year Government Spending Review Period.
2. As a result of the above changes, the FSA net resource cost will increase by £16,950,000. The net cash required will increase by £16,950,000 from £117,675,000 to £134,625,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

| | |
|--|-------------------|
| | £ |
| RFR 1: Protecting and promoting public health in relation to food | 16,950,000 |
| Total net resource requirement | 16,950,000 |
| Net cash requirement | 16,950,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Food Standards Agency on:

RfR1 – Protecting and promoting public health in relation to food

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

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

Part II: Changes proposed

| | | | | | £'000 |
|---|-----------------------|---------------------------|------------------|-------------------------|-------------------|
| Resources | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | New Net Provision |
| RfR1: Protecting and promoting public health in relation to food | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A FSA HQ Operations | 97,859 | 14,134 | – | 14,134 | 111,993 |
| RfR1 – B Meat Hygiene Service | 19,179 | 2,816 | – | 2,816 | 21,995 |
| Total RfR1 | 117,038 | 16,950 | – | 16,950 | 133,988 |

| Capital and Cash | Present Provision | Change in Provision | New Provision |
|-----------------------------|-------------------|---------------------|----------------|
| Total Capital Expenditure | 637 | – | 637 |
| Non-Operating A-in-A | – | – | – |
| Net cash requirement | 117,675 | 16,950 | 134,625 |

Part II: Revised subhead detail including additional provision

| Resources | Resources | | | | | | Capital | £'000 |
|---|----------------|---------------|----------|----------------|---------------|----------------|------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1: Protecting and promoting public health in relation to food | 110,466 | 82,103 | | 192,569 | 55,270 | 137,299 | 637 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government spending | | | | | | | | |
| ★ A FSA HQ Operations | 33,124 | 82,103 | – | 115,227 | 3,234 | 111,993 | 322 | – |
| ★ B Meat Hygiene Service | 74,031 | – | – | 74,031 | 52,036 | 21,995 | 315 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| C FSA HQ Operations | 1,861 | – | – | 1,861 | – | 1,861 | – | – |
| D Meat Hygiene Service | 1,450 | – | – | 1,450 | – | 1,450 | – | – |
| Total | 110,466 | 82,103 | – | 192,569 | 55,270 | 137,299 | 637 | – |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | £'000 |
|--|----------------|-------------------------------|----------------|
| | | | Revised |
| Net total Resources | 120,349 | 16,950 | 137,299 |
| Voted Capital items | | | |
| Capital Expenditure | 637 | | 637 |
| less: non-operating A in A | | - | - |
| Total net voted capital | 637 | | 637 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -1,307 | - | -1,307 |
| Depreciation | -2,004 | - | -2,004 |
| New provisions and adjustments to previous positions | | - | - |
| Other non-cash items | - | | - |
| increase(+)/decrease(-) in stock | - | | - |
| increase(+)/decrease(-) in debtors | - | | - |
| increase(-)/decrease(+) in creditors | - | | - |
| increase(+)/decrease(-) in | - | | - |
| Use of provisions | - | | - |
| Total accruals to cash adjustments | - | | - |
| Excess cash to be CFERd | - | | - |
| | -3,311 | | -3,311 |
| Net cash requirement | 117,675 | 16,950 | 134,625 |

Part III Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast operating costs statement

| | £'000 2002–2003 Provision |
|---------------------------------------|---------------------------------|
| Net Administration Costs | |
| RfR1 | 55,196 |
| Total Net Administration costs | 55,196 |
| Net Programme Costs | |
| RfR1 | 82,103 |
| Total Net Programme costs | 82,103 |
| TOTAL NET OPERATING COST | 137,299 |
| <i>of which</i> | |
| NET RESOURCE OUTTURN | 137,299 |
| CFERs | – |
| Non-voted Expenditure | – |
| RESOURCE BUDGET OUTTURN | 137,299 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|--------------------------------------|---------|
| | 2002–03 |
| Net Resource Outturn (Estimates) | 137,299 |
| Net Operating Costs (Accounts) | 137,299 |
| Resource Budget Outturn (Budget) | 137,299 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 133,988 |
| Annually Managed Expenditure (AME) | 3,311 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|---------------------------------------|-----------|
| | 2002–03 |
| | Provision |
| Net Voted Capital Outturn (Estimates) | 637 |
| Capital Budget Outturn (Budget) | 637 |

Explanation of Accounting Officer's Responsibilities

1. The Treasury has appointed the Chief Executive of the agency, Geoffrey Podger, as Accounting Officer with responsibility for agency's accounts and for transmitting them to the Comptroller and Auditor General.
2. The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the agency's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|----------------|-----------|
| | 2002–03 | |
| | Provision | |
| | Operating | Non- |
| | A in A* | operating |
| | | A in A* |
| RfR 1: Protecting and promoting public health in relation to food | 55,270 | — |
| Total RfR1* | 55,270* | — |

*Amounts that may be applied as appropriations in aid in addition to the net total, arising from fees for slaughterhouse hygiene inspections, radioactive waste disposal inspections, milk and dairies inspections and miscellaneous receipts.

Departmental Expenditure Limits and administration costs limits

As announced by the Secretary of State for Health to the House of Commons, the FSA DEL will change as follows:

| | | | |
|------------------|-------------|------------------|---------|
| Resources | | Capital | |
| Change | 16,950,000 | Change | - |
| New DEL | 133,988,000 | New DEL | 637,000 |
| <i>of which:</i> | | <i>of which:</i> | |
| Voted | 133,988,000 | Voted | 637,000 |
| Non-Voted | - | Non-Voted | - |

The administration costs limit has been increased by £2,816,000 from £52,303,000 to £55,119,000.

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid.

£'000

55,270

Office of the Deputy Prime Minister

Introduction

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

RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety

- i to transfer £150,000 from non-voted provision for Housing Action Trusts to housing research and publicity in respect of work for the Commission for Architecture and the Built Environment (RfR1: section A);
- ii to increase provision for Safer Communities Supported Housing Fund by £2,000,000 by taking up end-year flexibility (RfR1: section A);
- iii to transfer £160,000 from provision for trees and hedges (RfR1: section E) to provide additional resources for housing research and publicity (RfR1: section A);
- iv to transfer £5,000,000 from the Coalfields Regeneration Trust (RfR1: section E) to provide additional funding to tackle homelessness (RfR1: section A);
- v to transfer £1,000,000 to Bed and Breakfast Unit (RfR1: section P) from Home Buying and Selling (RfR1: section A);
- vi to transfer £73,000 to the Home Improvement Agency (RfR1: section P) from Housing Management grants (RfR1: section A) ;
- vii to transfer £50,000 to fund the new Urban Design awards programme (RfR1: section E) from the Housing Awards Programme (RfR1: section A);
- viii to transfer £8,000,000 to the Bed and Breakfast Unit (RfR1: section P) from Housing Action Trusts (RfR1: section A);
- ix to increase provision for the Rent Service by £1,806,000 and £117,000 (capital) by taking up end-year flexibility (of the resource end-year flexibility £1,339,000 is from Invest to Save) and to transfer £1,500,000 (capital) from the Capital Modernisation Fund (RfR1: section B);
- x to transfer £350,000 to fund publicity for the Urban Summit from non-voted provision for English Partnerships (RfR1: section E);
- xi to transfer £160,000 to provide additional resources for housing research and publicity (RfR1: section A) from provision for trees and hedges (RfR1: section E);
- xii to transfer £130,000 from the Home Office's grants to the voluntary sector to the Office's Special Grants Programme (RfR1: section E);
- xiii to transfer £25,000 from the Office's Special Grants Programme to the Home Office's grants to the voluntary sector (RfR1: section E);
- xiv to transfer £50,000 from the Housing Rewards Programme (RfR1: section A) to fund the new Urban Design awards programme (RfR1: section E);
- xv to transfer £5,000,000 to housing (RfR1: section A) from the Coalfields Regeneration Trust (RfR1: section E);

- xvi to transfer £18,000,000 to the proper line (RfR1: section F), to correct a mistake made in the Main Estimate which erroneously misattributed certain neighbourhood renewal budgets totalling £18,000,000 to section E of RfR1 instead of to section F of RfR1 (RfR1: section E);
- xvii to increase provision by £600,000 for the Regeneration Publicity Programme, which is fully offset by an increase in appropriations in aid generated by the Urban Summit (RfR1: section E);
- xviii to transfer £2,000,000 from the New Ventures Fund to the Home Office for Crime Reduction (RfR1: section F);
- xix to transfer £2,041,000 from the New Ventures Fund to the Home Office for grants to the voluntary sector (RfR1: section F);
- xx to transfer £100,000 from the New Ventures Fund to the Department for Education and Skills for Community Champions (RfR1: section F);
- xxi to transfer £1,500,000 and £300,000 from the Home Office for, respectively, Neighbourhood and Street wardens and grants to the voluntary sector in the New Ventures Fund (RfR1: section F);
- xxii to transfer £18,000,000 from the incorrect line (RfR1: section E), to correct a mistake made in the Main Estimate which erroneously misattributed certain neighbourhood renewal budgets totalling £18,000,000 to section E of RfR1 instead of to section F of RfR1 (RfR1: section F);
- xxiii to transfer £15,000 from the Capital Modernisation Fund for the Business Regeneration of Deprived Areas project which is part of the New Ventures Fund (RfR1: section F);
- xxiv to correct entries in the Estimate for Payments to Ordnance Survey from £17,700,000 to £18,700,000 and capital expenditure from -£1,121,000 (negative) to zero, which arose from the incorrect treatment of, respectively, an interest payment and a loan repayment (RfR1: section G);
- xxv to transfer £165,000 and £15,000 (capital) from the Invest to Save scheme to the Ordnance Survey's Integrated Coastal Mapping Zone project (RfR1: section G);
- xxvi to transfer £1,900,000 to Bed and Breakfast Unit (RfR1: section P) from planning (RfR1: section H);
- xxvii to increase provision for the Planning Inspectorate by £4,710,000 to finance additional work by taking up end-year flexibility (RfR1: section I);
- xxviii to transfer £432,000 and £50,000 (capital) from Invest to Save scheme for fire service projects (RfR1: section L);
- xxix to transfer £43,000,000 (capital) from the Capital Modernisation Fund to finance measures to combat terrorism (RfR1: section L);
- xxx to reflect the creation of a provision of £13,683,000 for the liabilities of the Pneumoconiosis Compensation scheme in the 2000-2001 accounts for the Department for Transport, Local Government and the Regions, which following the machinery of government changes announced by the Prime Minister on 29 May was transferred to the Department for Work and Pensions (RfR1: section N);
- xxxi to transfer £1,308,000 from non-voted resources for the Housing Corporation to provide additional funding for Rough Sleepers (RfR1: section P);
- xxxii to transfer £8,000,000 from Housing Action Trusts (RfR1: section A) to the Bed and Breakfast Unit (RfR1: section P);
- xxxiii to transfer £1,000,000 from Home Buying and Selling (RfR1: section A) to Bed and Breakfast Unit (RfR1: section P);

- xxxiv to transfer £1,900,000 from planning (RfR1: section H) to Bed and Breakfast Unit (RfR1: section P);
- xxxv to transfer £73,000 from Housing Management grants (RfR1: section A) to the Home Improvement Agency (RfR1: section P);
- xxxvi to transfer £32,650,000 from the Commission for New Towns and £9,200,000 from the Urban Regeneration Agency (both non-voted) to provide £9,000,000 for homelessness strategies, £16,100,000 for Bed and Breakfast, £10,000,000 for Priority Needs Orders and £6,750,000 for Rough Sleepers; these resource transfers are mirrored by the transfer of £41,850,000 (capital) from Housing Action Trusts and Local Authority credit approvals to the Commission for New Towns and the Urban Regeneration Agency, all of which are non-voted (RfR1: section P);
- xxxvii to reduce provision by £20,000,000 for Housing Revenue Account Subsidy in the light of revised forecasts (RfR1: section U);
- xxxviii to reduce provision by £110,000,000 for Housing Revenue Account Subsidy in the light of revised forecasts (RfR1: section W);
- xxxix to correct entries in the Estimate for Payments to Ordnance Survey from £1,373,000 to £1,000 which arose from the incorrect treatment of cost of capital charges (RfR1: section Z);
- xl to transfer £8,000,000 from non-voted local authority credit approvals to private sector housing renewal (RfR1: section AD);
- xli to transfer £332,000 from non-voted provision for Housing Action Trusts for housing defect grants (RfR1: section AD);
- xliv to transfer £1,297,000 from non-voted provision for Housing Action Trusts to provide additional funding for Estate Action (RfR1: section AD);
- xlvi to increase provision by £11,809,000 for Safer Communities supported Housing Fund by taking up end-year flexibility (RfR1: section AD);
- xliv to transfer £30,000,000 from the Department for Transport arising from the repayment of an internal loan made to the Highways Agency (RfR1: section AD);
- xlvi to increase provision by £2,355,000 for Choice Based Letting by taking up end-year flexibility and to transfer £1,000,000 from the Capital Modernisation Fund (RfR1: section AD);
- xlvi to transfer £25,000,000 from the Capital Modernisation Fund to the Housing Market Renewal Fund (low demand housing) (RfR1: section AD);
- xlvi to increase provision by £14,000,000 for Starter Homes Initiative by taking up end-year flexibility (RfR1: section AD);
- xlvi to increase non-budget provision by £16,700,000 for Defective Housing Loan Charges (RfR1: section AD);
- xlvi to transfer £1,200,000 from the Capital Modernisation Fund to the Public Space Improvement Programme (RfR1: section AF);
- I to transfer £2,850,000 from Local Authority credit approvals for housing and £2,150,000 from Housing Action Trusts (both non-voted) to the Coalfields Regeneration Trust (RfR1: section AF);

RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation

- li to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £2,708,000 along with £1,402,000 (appropriations in aid) and £1,680,000 (capital) for ports and shipping to the Department for Transport (RfR2: section A);
- lii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £106,422,000 along with £5,742,000 (appropriations in aid) and £6,250,000 (capital) for the Maritime and Coastguard Agency to the Department for Transport (RfR2: section B);
- liii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £38,654,000 along with £35,200,000 (appropriations in aid) and £207,000 (capital) for aviation services to the Department for Transport (RfR2: section C);
- liv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £12,137,000 for transport security and royal travel to the Department for Transport (RfR2: section D);
- lv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £668,161,000 along with £25,615,000 (appropriations in aid), £707,521,000 (capital) and £12,286,000 (non-operating appropriations in aid) for the Highways Agency to the Department for Transport (RfR2: section E);
- lvi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £18,428,000 for publicity and advice to the Department for Transport (RfR2: section F);
- lvii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £34,570,000 and £7,505,000 (capital) for research to the Department for Transport (RfR2: section G);
- lviii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £7,877,000 and £619,000 (capital) in respect of statistics, censuses and surveys to the Department for Transport (RfR2: section H);
- lix to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £10,337,000 along with £126,000 (appropriations in aid) and £60,000 (capital) for consultancies and other services for roads and local transport to the Department for Transport (RfR2: section I);
- lx to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £6,369,000 for railways to the Department for Transport (RfR2: section J);
- lxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £1,500,000 for the Commission for Integrated Transport to the Department for Transport (RfR2: section K);
- lxii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £55,487,000 in respect of other railways to the Department for Transport (RfR2: section L);
- lxiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £3,306,000 for water freight grants to the Department for Transport (RfR2: section M);
- lxiv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £329,500,000 for bus fuel duty rebates to the Department for Transport (RfR2: section N);
- lxv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £257,922,000 along with £141,406,000 (appropriations in aid) and £5,121,000 (capital) for the Driver and Vehicle Licensing Agency to the Department for Transport (RfR2: section O);

- lxvi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £20,867,000 along with £16,550,000 (appropriations in aid) for vehicle and traffic enforcement to the Department for Transport (RfR2: section P);
- lxvii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £4,908,000 along with £5,195,000 (appropriations in aid) and £232,000 (capital) for the Vehicle Certification Agency to the Department for Transport (RfR2: section Q);
- lxviii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £22,919,000 for the PowerShift and CleanUp programmes to the Department for Transport (RfR2: section R);
- lxix to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £48,600,000 (appropriations in aid) for the Dartford River Crossing to the Department for Transport (RfR2: section S);
- lxx to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £24,000,000 along with £39,000,000 (appropriations in aid) for Railtrack plc (in administration) to the Department for Transport (RfR2: section T);
- lxxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £296,080,000 for Greater London Authority transport grant to the Department for Transport (RfR2: section U);
- lxxii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £112,919,000 for other transport grants (discretionary resource expenditure) to the Department for Transport (RfR2: section V);
- lxxiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £10,000,000 for other transport grants (non-discretionary resource expenditure) to the Department for Transport (RfR2: section W);
- lxxiv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £58,125,000 along with £58,124,000 (appropriations in aid) for speed and red-light camera enforcement to the Department for Transport (RfR2: section X);
- lxxv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £1,009,000 for ports and shipping to the Department for Transport (RfR2: section Y);
- lxxvi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £6,487,000 for the Maritime and Coastguard Agency to the Department for Transport (RfR2: section Z);
- lxxvii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £737,000 for aviation services to the Department for Transport (RfR2: section AA);
- lxxviii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £3,583,696,000 for the Highways Agency to the Department for Transport (RfR2: section AB);
- lxxix to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £175,000 for statistics, censuses and surveys to the Department for Transport (RfR2: section AC);
- lxxx to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £48,000 for consultancies and other services for roads and local transport to the Department for Transport (RfR2: section AD);

- lxxxii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £18,293,000 for the Driver and Vehicle Licensing Agency to the Department for Transport (RfR2: section AE);
- lxxxiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £283,000 for the Vehicle Certification Agency to the Department for Transport (RfR2: section AF);
- lxxxiiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £435,173,000 for the Highways Agency to the Department for Transport (RfR2: section AG);
- lxxxv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £3,000 along with £2,000 (appropriations in aid) and £1,395,000 (non-operating appropriations in aid) for the Vehicle Inspectorate to the Department for Transport (RfR2: section AH);
- lxxxvi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £2,000 along with £1,000 (appropriations in aid) and £146,000 (non-operating appropriations in aid) for the Driving Standards Agency to the Department for Transport (RfR2: section AJ);
- lxxxvii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £2,040,954,000 for the Strategic Rail Authority to the Department for Transport (RfR2: section AJ);
- lxxxviii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £1,000 for the Trans European network payments for other local transport projects to the Department for Transport (RfR2: section AK);
- lxxxviiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £2,000 for the Trans European network payments for rail and other transport industries projects to the Department for Transport (RfR2: section AL);
- lxxxix to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £2,000,000 for water freight grant to the Department for Transport (RfR2: section AM);
- xc to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £503,290,000 in respect of other railways to the Department for Transport (RfR2: section AN);
- xcii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £1,000,000 to the Department for Transport in relation to goods vehicle VED relief to the Department for Transport (RfR2: section AO);
- xciii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £178,268,000 for transport grants to local authorities to the Department for Transport (RfR2: section AP);
- xciiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £600,000 for publicity and advice to the Department for Transport (RfR2: section AQ);
- xcv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £762,500,000 for Greater London Authority Transport Grant to the Department for Transport (RfR2: section AR);
- xcvi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section transferring £9,976,123,000, of which £715,368,000 is capital (net) (from sections A to AR of RfR2) and a token £1,000 to facilitate the machinery of government changes, to the Department for Transport (RfR2: section AS);

RfR3: Promoting a system of elected government responding to the needs of local communities

- xcvi to increase provision by £1,200,000 by taking up end year flexibility, and by £9,750,000, which is fully offset by increased receipts from the Department for Environment, Food and Rural Affairs, to meet expenditure arising from the outbreak of foot and mouth disease (RfR3: section A);
- xcvii to transfer £500,000 to the Best Value Inspectorate (RfR3: section B) to provide additional resources (RfR3: section A);
- xcviii to transfer £4,000 to the Central Administration (RfR4: section A) to meet the costs of providing administrative services (RfR3: section A);
- xcix to increase provision for Best Value Intervention by £2,958,000 by taking up end-year flexibility, and to transfer £500,000 from valuation services (RfR3: section A) and £100,000 from mapping administrative and electoral boundaries (RfR3: section C) for Best Value Inspection (RfR3: section B);
- c to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £21,000 in respect of Electoral law to the Lord Chancellor's Department (RfR3: section C);
- ci to increase provision by £2,332,000 for local government research by taking up end-year flexibility (RfR3: section C);
- cii to transfer £100,000 to Best Value Inspection (RfR3: section B) and £36,000 to other grants and payments (RfR3: section H) compensation claims to local authorities (RfR3: section C);
- ciii to transfer £500,000 to other grants and payments (RfR3: section H) for Beacon Councils (RfR3: section D);
- civ to increase provision by £5,400,000 for PFI Special Grants by taking up end-year flexibility (RfR3: section E);
- cv to increase provision by £10,402,000 for Invest to Save and £1,500,000 for "Bellwin" expenditure by taking up end-year flexibility (RfR3: section H);
- cvi to increase provision by £2,000,000 for Special Grants for Foot and Mouth NNDR concessions (RfR3: section H);
- cvii to transfer £500,000 from GLA Preparation Costs (RfR3: section D) for Beacon Councils and £36,000 from mapping administrative and electoral boundaries (RfR3: section C) for compensation payments to local authorities (RfR3: section H);
- cviii to increase provision by £7,169,000 by taking up end-year flexibility (RfR3: section J);
- cix to increase provision by £2,200,000 for the Standards Board by taking up end-year flexibility (RfR3: section K);
- cx to introduce a new section to provide £500,000 to meet the costs of depreciation in respect of the provision of Valuation Tribunals (RfR3: section L);
- cxii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section transferring £21,000 to the Lord Chancellor's Department (RfR3: section M);

RfR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives

- cxii to transfer £4,000 from valuation services (RfR3: section A) to meet the costs of providing administrative services (RfR4: section A);

- cxiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £120,784,000, along with £11,942,000 (appropriations in aid) and £23,101,000 (capital), to the Department for Transport in respect to the administration of the department (RfR4: section A);
- cxiv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transferring £2,962,000 and £800,000 appropriations in aid from the Home Office for Emergency Fire Services (RfR4: section A);
- cxv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by the transfer of £766,000 to the Department for Work and Pensions (RfR4: section A);
- cxvi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by the transfer of £1,265,000 for the Central Policy Group from the Cabinet Office (RfR4: section A);
- cxvii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by the transfer of £2,971,000 to the Social Exclusion Unit from the Cabinet Office (RfR4: section A);
- cxviii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £252,986,000 along with £58,343,000 (appropriations in aid), £6,402,000 (capital) and £37,000 (non-operating appropriations in aid), to the Department for Work and Pensions in respect of the Health and Safety Executive (RfR4: section B);
- cxix to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £21,719,000 along with £23,954,000 (appropriations in aid), £4,598,000 (capital) and £398,000 (non-operating appropriations in aid), to the Department for Work and Pensions in respect of the Health and Safety Laboratory (RfR4: section C);
- cxx to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £12,741,000 to the Department for Transport in respect to the administration of the department (RfR4: section F);
- cxxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transferring £229,000 from the Home Office for Emergency Fire Services (RfR4: section F);
- cxixii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transferring of £10,172,000 to the Department for Work and Pensions in respect of the Health and Safety Executive (RfR4: section G);
- cxixiii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transfer of £4,040,000 (administration) to the Department for Work and Pensions in respect of the Health and Safety Laboratory (RfR4: section H);
- cxixiv to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section transferring £98,630,000 and £613,000 (capital) from the Cabinet Office in respect of Government Office Administration (RfR4: section J);
- cxixv to transfer £6,104,000 to fund the Crime Reduction Unit from the Home Office for the administrative costs of the Regional Co-ordination Unit and Government Offices for the Regions (RfR4: section J);
- cxixvi to transfer £759,000 to fund the Sure Start Unit, £430,000 to fund the Young Person's Unit, £189,000 for Youth Work, £161,000 for Adult Basic Skills and £1,000,000 for Connexions from the Department for Education and Skills for the administrative costs of the Regional Co-ordination Unit and Government Offices for the Regions (RfR4: section J);
- cxixvii to transfer £652,000 to fund other culture, media and sport matters from the Department for Culture, Media and Sport for the administrative costs of the Regional Co-ordination Unit and Government Offices for the Regions (RfR4: section J);

- cxxviii to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section transferring £413,000 from the Cabinet Office in respect of Government Office Administration (RfR4: section K);
- cxxix to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section transferring £144,684,000 of which £23,101,000 is capital (net), (from sections A and F (RfR4)) to the Department for Transport (RfR4: section L);
- cxxx to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section M transferring £98,630,000 and £613,000 (capital) to section J of RfR4, and £413,000 to section K of RfR4, from the Cabinet Office (RfR4: section M);
- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by the transfer of £1,265,000 for the Central Policy Group to section A (RfR4), from the Cabinet Office (RfR4: section M);
- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by the transfer of £2,971,000 for the Social Exclusion Unit to section A (RfR4), from the Cabinet Office (RfR4: section M);
- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section transferring £217,185,000, of which £10,565,000 is capital (net), (from sections B, C, G and H (RfR4)) to the Department for Work and Pensions (RfR4: section N);
- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by the transfer of £766,000 from section A (RfR4), to the Department for Work and Pensions (RfR4: section N);
- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by introducing a new section transferring £2,391,000 (to sections A and F (RfR4)) from the Home Office (RfR4: section O);

Resource to cash reconciliation

- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transferring £192,741,000 debtors to the Department for Transport;
- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transferring £331,125,000 creditors to the Department for Transport;

Consolidation Fund Extra Receipts

- cxvxi to reflect part of the machinery of government changes announced by the Prime Minister on 29 May by transferring £85,287,000 (income) and £77,797,000 (receipts) to the Department for Transport; and

Other Changes

- cxvxi to change the name of the Department for Transport, Local Government and the Regions to the Office of the Deputy Prime Minister.

2. As a result of all changes there is an increase in the Net Cash Requirement of £114,778,000
3. Symbols are explained in the introduction to this booklet.

Part I

£

| | |
|---|--------------------|
| RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety | 23,188,000 |
| RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation | 1,000 |
| RfR3: Promoting a system of elected government responding to the needs of local communities | 35,657,000 |
| RfR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives | 9,299,000 |
| Total additional net resources requirement | 68,145,000 |
| Additional net cash requirement | 114,778,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Office of the Deputy Prime Minister on:

RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety housing revenue account subsidy; homelessness and rough sleepers; payments to the Housing Corporation; renewal of private sector housing; home selling; rent and leasehold services; national approved letting scheme; social housing mobility; council tenant participation; payments to housing action trusts; Estate Action; the starter homes initiative; the Supporting People programme; choice-based local authority lettings; The Rent Service Agency; payments to the Commission for Architecture and the Built Environment; disabled facilities grant; Housing Improvement Agencies; charges by Valuation Offices in respect of Right to Buy; refurbishment and acquisition of gypsy sites; deprived neighbourhoods, including the New Deal for Communities programmes; payments to the Urban Regeneration Agency; payments to the Department of Trade and Industry for regional development agencies and the London Development Agency; Groundwork; payments made as agency for the European Union, including those for ports and railways in Wales; exchange rate losses and other losses relating to European regional development fund projects; coalfields regeneration; planning, including minerals programmes; planning-aid; the Planning Inspectorate; fire services, including the aftermath of terrorism in England and Wales; payments and loans to the Fire Service College (trading fund); fire service superannuation; payments to Ordnance Survey (trading fund); regional chambers; compensation for sufferers, or their dependants, of certain dust-related diseases; payments for the Mersey Basin Campaign; payments in respect of the Commonwealth Games at Manchester; Golden Jubilee medals for emergency services personnel; minor grants and payments in support of housing, the Urban Summit, regeneration, building regulation, fire initiatives research, development, surveys, monitoring, statistics, advice and consultancies; initiatives to tackle areas of low demand housing; publicity, promotion and publications; special payments; administration; Special Grants Programme support to voluntary bodies; subscriptions and contributions to international organisations; special payments; and associated non-cash items.

RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation ports and shipping services; the National Ports Council Pension and Compensation Schemes; water freight grants; the Maritime and Coastguard Agency; civil and international aviation services; assistance to airlines to compensate for losses arising from the terrorist attacks on 11 September 2001 in the United States of America; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; transport grants to local authorities, including the Greater London Authority; payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; the operation of the Dartford River crossing; rebates of fuel duty to bus operators; support for the haulage industry; support to nationalised transport industries; Powershift and cleaner vehicles programmes; royal travel; transport security; the Commission for Integrated Transport; trans-European

network funds; support for other minor transport services; driver and vehicle licensing and registration and the collection of revenue; compensation and pension costs relating to pre-DVLC local authority driver and vehicle licensing staff; the development and operation of systems associated with registration and licensing; the provision by DVLA of anonymised data and other services; the Vehicle Certification Agency; grants and loans to the Vehicle Inspectorate and Driving Standards Agency (trading funds); vehicle and traffic enforcement; speed and red light camera enforcement; grants to Railtrack, British Rail and London Underground; payments and loans under section 63 of the Railways Act 1993 to Railtrack plc (in administration); grants to the Strategic Rail Authority; the Channel Tunnel Rail Link; National Freight Company travel concessions; railway industry and National Freight Company pensions funds; research, development, statistics, censuses and surveys, safety and mobility, publicity, promotion and advice and publications, monitoring, consultancies; selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; administration; special payments; and associated non-cash items.

RfR3: Promoting a system of elected government responding to the needs of local communities payments to the Valuation Office Agency for rating and valuation services; the expenses of valuation tribunals; payments to the Audit Commission for work in connection with best value inspection; 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 2001-02 and previous years; preparation for the Greater London Authority and related bodies; Greater London Authority (GLA) general grant; intervention action in local authorities; local Public Sector Agreement (PSA) performance fund payments; special grants paid under section 88B of the Local Government Finance Act 1988; grants to beacon councils; emergency financial assistance to local authorities; payments to bodies specified by the Secretary of State under section 78 of the Local Government Finance Act 1988, as amended, and to the Commission for Local Administration in England; mapping revised administrative and electoral boundaries following Parish and Electoral Commission reviews; grant-in-aid to the Standards Board for England; payments to the Parliamentary Boundary Commissions; electoral functions in the United Kingdom; payments in respect of the capital element of contracts let under the private finance initiative; research, development, surveys, monitoring, statistics, advice and consultancies; publicity, promotion and publications; special payments; and associated non-cash items.

RfR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives the Deputy Prime Minister's chairmanship of Ministerial Committees; co-ordination of cross-cutting issues including social exclusion; the Health and Safety Commission (HSC); grants paid by HSC to small businesses; the residual functions of Property Services Agency (PSA) services; residual payments concerning the privatisation of the Building Research Establishment; loans to the Queen Elizabeth II Conference Centre executive agency (trading fund); other government departments, agencies and non-departmental public bodies; the Neighbourhood Renewal Unit; the Teenage Pregnancy Unit; the administration and operation of the Office; providing for the administration of the Government Offices; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; research; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; research; special payments; and associated non-cash items.

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

Part II: Changes proposed

| | | | | | £'000 |
|---|--------------------------|------------------------------|-------------------|----------------------------|----------------------|
| | Present Net Provision | Change in Gross provision | Change in AinA | Change in Net Provision | New Net Provision |
| Resources | | | | | |
| RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| <i>Central Government Spending</i> | | | | | |
| A Housing | 86,485 | -1,813 | - | -1,813 | 84,672 |
| B The Rent Service Executive Agency | 36,315 | 1,806 | - | 1,806 | 38,121 |
| E Regeneration and Regional Policy | 50,720 | -22,055 | 600 | -22,655 | 28,065 |
| F Neighbourhood Renewal | 147,550 | 15,674 | - | 15,674 | 163,224 |
| G Payments to Ordnance Survey | 17,700 | 1,165 | - | 1,165 | 18,865 |
| H Planning | 10,381 | -1,900 | - | -1,900 | 8,481 |
| I The Planning Inspectorate Executive Agency | 25,958 | 4,710 | - | 4,710 | 30,668 |
| L Fire Services | 7,497 | 432 | - | 432 | 7,929 |
| N Pneumoconiosis Compensation | 13,683 | -13,683 | - | -13,683 | - |
| <i>Support for Local Authorities</i> | | | | | |
| P Other Housing | 71,612 | 54,131 | - | 54,131 | 125,743 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Central Government Spending</i> | | | | | |
| U Housing Revenue Account Subsidy – Housing | 943,000 | -20,000 | - | -20,000 | 923,000 |
| <i>Support for Local Authorities</i> | | | | | |
| W Housing Revenue Account Subsidy (Rent Rebate element) | 3,379,000 | -110,000 | - | -110,000 | 3,269,000 |
| <i>Non-cash items</i> | | | | | |
| Z Payments to Ordnance Survey | 1,373 | -1,372 | - | -1,372 | 1 |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | |
| AD Other Housing | 964,167 | 110,493 | - | 110,493 | 1,074,660 |
| AF Other Regeneration | 270,632 | 6,200 | - | 6,200 | 276,832 |
| Total RfR1 | | 23,788 | 600 | 23,188 | |

Part II: Changes proposed (continued)

| Resources | Present Net Provision | Change in Gross provision | Change in A in A | Change in Net Provision | New Net Provision |
|--|-----------------------|---------------------------|------------------|-------------------------|-------------------|
| RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| <i>Central Government Spending</i> | | | | | |
| A Ports and shipping services | 1,306 | -2,708 | -1,402 | -1,306 | - |
| B Maritime and Coastguard Agency | 100,680 | -106,422 | -5,742 | -100,680 | - |
| C Aviation services | 3,454 | -38,654 | -35,200 | -3,454 | - |
| D Transport security and royal travel | 12,137 | -12,137 | - | -12,137 | - |
| E Highways Agency | 642,546 | -668,161 | -25,615 | -642,546 | - |
| F Publicity and advice | 18,428 | -18,428 | - | -18,428 | - |
| G Research | 34,570 | -34,570 | - | -34,570 | - |
| H Statistics, censuses and surveys | 7,877 | -7,877 | - | -7,877 | - |
| I Consultancies and other services for roads and local transport | 10,211 | -10,337 | -126 | -10,211 | - |
| J Railways | 6,369 | -6,369 | - | -6,369 | - |
| K Commission for Integrated Transport | 1,500 | -1,500 | - | -1,500 | - |
| L Other Railways | 55,487 | -55,487 | - | -55,487 | - |
| M Water freight grants | 3,306 | -3,306 | - | -3,306 | - |
| N Bus fuel duty rebates | 329,500 | -329,500 | - | -329,500 | - |
| O Driver and Vehicle Licensing Agency | 116,516 | -257,922 | -141,406 | -116,516 | - |
| P Vehicle and traffic enforcement | 4,317 | -20,867 | -16,550 | -4,317 | - |
| Q Vehicle Certification Agency | -287 | -4,908 | -5,195 | 287 | - |
| R PowerShift and CleanUp | 22,919 | -22,919 | - | -22,919 | - |
| S Dartford Tunnel Crossing | -48,600 | - | -48,600 | 48,600 | - |
| T Railtrack plc (in administration) | -15,000 | -24,000 | -39,000 | 15,000 | - |

Part II: Changes proposed (continued)

| Resources | Present Net Provision | Change in Gross provision | Change in AinA | Change in Net Provision | £'000 New Net Provision |
|---|-----------------------|---------------------------|-----------------|-------------------------|-------------------------|
| <i>Support for Local Authorities</i> | | | | | |
| ★ U GLA transport grant | 296,080 | -296,080 | – | -296,080 | – |
| ★ V Other transport grants (discretionary resource expenditure) | 112,919 | -112,919 | – | -112,919 | – |
| W Other transport grants (non-discretionary resource expenditure) | 10,000 | -10,000 | – | -10,000 | – |
| ★ X Speed and red-light camera enforcement | 1 | -58,125 | -58,124 | -1 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Non-Cash items</i> | | | | | |
| Y Ports and Shipping Services | 1,009 | -1,009 | – | -1,009 | – |
| Z Maritime and Coastguard Agency | 6,487 | -6,487 | – | -6,487 | – |
| AA Aviation services | 737 | -737 | – | -737 | – |
| AB Highways Agency | 3,583,696 | -3,583,696 | – | -3,583,696 | – |
| AC Statistics, censuses and surveys | 175 | -175 | – | -175 | – |
| AD Consultancies and other services for roads and local transport | 48 | -48 | – | -48 | – |
| AE Driver and Vehicle Licensing Agency | 18,293 | -18,293 | – | -18,293 | – |
| AF Vehicle Certification Agency | 283 | -283 | – | -283 | – |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | |
| AG Highways Agency | 435,173 | -435,173 | – | -435,173 | – |
| AH Vehicle Inspectorate trading fund | 1 | -3 | -2 | -1 | – |
| AI Driving Standards Agency trading fund | 1 | -2 | -1 | -1 | – |
| AJ Strategic Rail Authority | 2,040,954 | -2,040,954 | – | -2,040,954 | – |
| AK Trans European network payments for other local transport projects (net) | 1 | -1 | – | -1 | – |
| AL Trans European network payments for rail and other transport industries projects (net) | 2 | -2 | – | -2 | – |
| AM Water Freight Grant | 2,000 | -2,000 | – | -2,000 | – |
| AN Other Railways | 503,290 | -503,290 | – | -503,290 | – |
| AO Goods Vehicle VED Relief | 1,000 | -1,000 | – | -1,000 | – |
| AP Capital transport grants to local authorities | 178,268 | -178,268 | – | -178,268 | – |
| AQ Publicity and advice | 600 | -600 | – | -600 | – |
| AR GLA Transport Grant | 762,500 | -762,500 | – | -762,500 | – |
| AS Payment to Department for Transport for Machinery of Government Transfers | – | 9,260,755 | – | 9,260,755 | 9,260,755 |
| Total RIR2 | | -376,962 | -376,963 | 1 | |

Part II: Changes proposed (continued)

| Resources | Present Net Provision | Change in Gross provision | Change in AinA | Change in Net Provision | £'000 New Net Provision |
|---|-----------------------|---------------------------|----------------|-------------------------|-------------------------|
| RfR3: Promoting a system of elected government responding to the needs of local communities | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| <i>Central Government Spending</i> | | | | | |
| A Valuation services | 137,804 | 10,446 | 9,750 | 696 | 138,500 |
| B Best Value inspection subsidies to public corporations and Best Value intervention costs | 22,720 | 3,558 | – | 3,558 | 26,278 |
| C Local government research & publicity; and Local Government Commission mapping costs and electoral law | 4,269 | 2,175 | – | 2,175 | 6,444 |
| D London governance | 6,992 | –500 | – | –500 | 6,492 |
| <i>Support for Local Authorities</i> | | | | | |
| E Revenue support grants | 20,138,845 | 5,400 | – | 5,400 | 20,144,245 |
| H Other grants and payments | 312,859 | 14,438 | – | 14,438 | 327,297 |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | |
| J Other grants and payments | 265,359 | 7,169 | – | 7,169 | 272,528 |
| K Non-departmental public bodies | 7,900 | 2,200 | – | 2,200 | 10,100 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Non-Cash items</i> | | | | | |
| L Valuation services | – | 500 | – | 500 | 500 |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | |
| M Payment to the Lord Chancellor's Department for Machinery of Government Transfers | – | 21 | – | 21 | 21 |
| Total RfR3 | | 45,407 | 9,750 | 35,657 | |
| RfR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| <i>Central Government Spending</i> | | | | | |
| A Central administration | 248,599 | –114,348 | –11,142 | –103,206 | 145,393 |
| B Health and Safety Executive | 194,643 | –252,986 | –58,343 | –194,643 | – |
| C Health and Safety Laboratory | –2,235 | –21,719 | –23,954 | 2,235 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Non-Cash items</i> | | | | | |
| F Central administration | 37,798 | –12,512 | – | –12,512 | 25,286 |
| G Health and Safety Executive | 10,172 | –10,172 | – | –10,172 | – |
| H Health and Safety Laboratory | 4,040 | –4,040 | – | –4,040 | – |

Part II: Changes proposed (continued)

| Resources | Present Net Provision | Change in Gross provision | Change in AinA | Change in Net Provision | £'000 New Net Provision |
|---|--------------------------|----------------------------|----------------------------|-------------------------|-------------------------|
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| <i>Central Government Spending</i> | | | | | |
| J Government Office Administration | – | 107,925 | – | 107,925 | 107,925 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Non-Cash items</i> | | | | | |
| K Government Office Administration | – | 413 | – | 413 | 413 |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | |
| L Payment to Department for Transport for Machinery of Government Transfers | – | 121,583 | – | 121,583 | 121,583 |
| M Payment from the Cabinet Office for Machinery of Government Transfers | – | – | 103,279 | –103,279 | –103,279 |
| N Payment to the Department for Work and Pensions for Machinery of Government Transfers | – | 207,386 | – | 207,386 | 207,386 |
| P Payment from the Home Office for Machinery of Government Transfers | – | – | 2,391 | –2,391 | –2,391 |
| Total RfR4 | | 21,530 | 12,231 | 9,299 | |
| Total Changes to RfRs | | –286,237 | –354,382 | 68,145 | |
| Capital and Cash | | | | | |
| | Present Provision | Change in Provision | £'000 New Provision | | |
| Total Capital expenditure | 785,534 | 32,154 | 817,688 | | |
| Non-operating Appropriations in Aid | 14,338 | –13,649 | 689 | | |
| Net cash requirement | 54,044,653 | 114,778 | 54,159,431 | | |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|---------------|------------------|------------------|------------------|---------------|------------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| R1R1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety | 84,937 | 1,240,707 | 7,820,447 | 9,146,091 | 15,277 | 9,130,814 | 49,907 | 36 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | |
| ★ A Housing | 2,562 | 33,735 | 48,582 | 84,879 | 207 | 84,672 | – | 21 |
| ★ B The Rent Service Executive Agency | 37,884 | 237 | – | 38,121 | – | 38,121 | 2,867 | – |
| ★ C Building Regulations | – | 5,257 | – | 5,257 | – | 5,257 | – | – |
| ★ D Payments to DTI for Regional Development Agencies and London Development Agency | – | – | 449,052 | 449,052 | – | 449,052 | – | – |
| ★ E Regeneration and Regional Policy | – | 1,960 | 26,705 | 28,665 | 600 | 28,065 | – | – |
| ★ F Neighbourhood Renewal | – | 55,174 | 108,050 | 163,224 | – | 163,224 | – | – |
| ★ G Payments to Ordnance Survey | – | 18,865 | – | 18,865 | – | 18,865 | 15 | – |
| ★ H Planning | – | 8,561 | – | 8,561 | 80 | 8,481 | – | – |
| ★ I The Planning Inspectorate Executive Agency | 37,152 | 1 | – | 37,153 | 6,485 | 30,668 | 3,867 | – |
| ★ J European Structural Funds – Net | – | 185,880 | –185,879 | 1 | 6,000 | –5,999 | – | – |
| ★ K European Regional Development Fund Projects not funded by European Union receipts | – | – | 1 | 1 | – | 1 | – | – |
| ★ L Fire Services | 5 | 7,824 | 200 | 8,029 | 100 | 7,929 | 43,157 | – |
| ★ M Fire Service College | – | 1 | – | 1 | – | 1 | – | – |
| ★ N Pneumoconiosis Compensation | – | – | – | – | – | – | – | – |
| <i>Support for Local Authorities</i> | | | | | | | | |
| O Housing Specified Grants | – | – | 230 | 230 | – | 230 | – | – |
| ★ P Other Housing | – | – | 125,743 | 125,743 | – | 125,743 | – | – |
| ★ Q Regeneration | – | – | 106,880 | 106,880 | – | 106,880 | – | – |
| ★ R Neighbourhood Renewal | – | – | 96,445 | 96,445 | – | 96,445 | – | – |
| ★ S European Structural Funds – Net | – | – | 1 | 1 | – | 1 | – | – |
| T European Regional Development Fund Projects not funded by European Union receipts | – | – | 2 | 2 | – | 2 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | |
| U Housing Revenue Account Subsidy – Housing | – | 923,000 | – | 923,000 | – | 923,000 | – | – |
| Bulk Pension Transfers | – | – | – | – | – | – | – | – |
| V Fire Superannuation | – | – | 555 | 555 | 305 | 250 | – | – |
| <i>Support for Local Authorities</i> | | | | | | | | |
| W Housing Revenue Account Subsidy (Rent Rebate element) | – | – | 3,269,000 | 3,269,000 | – | 3,269,000 | – | – |

Part II: Revised subhead detail including additional provision (continued)

| | | Resources | | | | | Capital | £'000 | |
|---|--|-----------|---------------|------------------|------------------|--------|------------------|----------------|----------------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| <i>Non-cash items</i> | | | | | | | | | |
| X | Other Housing | – | 212 | – | 212 | – | 212 | – | – |
| Y | The Rent Service Executive Agency | 4,202 | – | – | 4,202 | – | 4,202 | – | – |
| Z | Payments to Ordnance Survey | – | 1 | – | 1 | – | 1 | – | – |
| AA | The Planning Inspectorate – Executive Agency | 3,130 | – | – | 3,130 | – | 3,130 | – | – |
| AB | Fire Services | 2 | – | – | 2 | – | 2 | – | – |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| AC | Housing Corporation | – | – | 1,658,936 | 1,658,936 | – | 1,658,936 | – | – |
| AD | Other Housing | – | – | 1,074,660 | 1,074,660 | – | 1,074,660 | – | – |
| AE | Payments to DTI for Regional Development Agencies and London Development Agency | – | – | 591,950 | 591,950 | – | 591,950 | – | – |
| AF | Other Regeneration | – | – | 278,332 | 278,332 | 1,500 | 276,832 | – | – |
| AG | Neighbourhood Renewal | – | – | 165,000 | 165,000 | – | 165,000 | – | – |
| AH | European Structural Funds – Net | – | – | 6,001 | 6,001 | – | 6,001 | – | – |
| AI | European Regional Development Fund Projects not funded by European Union receipts | – | – | 1 | 1 | – | 1 | – | – |
| AJ | Fire Services | – | –1 | – | –1 | – | –1 | – | – |
| AK | Fire Service College | – | – | – | – | – | – | 1 | 15 |
| | BRE Privatisation | – | – | – | – | – | – | – | – |
| | Payments to Ordnance Survey | – | – | – | – | – | – | – | – |
| | RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation | – | – | 9,260,755 | 9,260,755 | – | 9,260,755 | 715,368 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | |
| ★ A | Ports and shipping services | – | – | – | – | – | – | – | – |
| ★ B | Maritime and Coastguard Agency | – | – | – | – | – | – | – | – |
| ★ C | Aviation services | – | – | – | – | – | – | – | – |
| ★ D | Transport security and royal travel | – | – | – | – | – | – | – | – |
| ★ E | Highways Agency | – | – | – | – | – | – | – | – |
| ★ F | Publicity and advice | – | – | – | – | – | – | – | – |
| ★ G | Research | – | – | – | – | – | – | – | – |
| ★ H | Statistics, censuses and surveys | – | – | – | – | – | – | – | – |
| ★ I | Consultancies and other services for roads and local transport | – | – | – | – | – | – | – | – |
| ★ J | Railways | – | – | – | – | – | – | – | – |
| ★ K | Commission for Integrated Transport | – | – | – | – | – | – | – | – |
| L | Other Railways | – | – | – | – | – | – | – | – |

Part II: Revised subhead detail including additional provision (continued)

| | Resources | | | | | | Capital | £'000 |
|---|-----------|---------------|--------|-------------|--------|-----------|---------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| ★ M Water freight grants | – | – | – | – | – | – | – | – |
| N Bus fuel duty rebates | – | – | – | – | – | – | – | – |
| ★ O Driver and Vehicle Licensing Agency | – | – | – | – | – | – | – | – |
| ★ P Vehicle and traffic enforcement | – | – | – | – | – | – | – | – |
| ★ Q Vehicle Certification Agency | – | – | – | – | – | – | – | – |
| ★ R PowerShift and CleanUp | – | – | – | – | – | – | – | – |
| ★ S Dartford Tunnel Crossing | – | – | – | – | – | – | – | – |
| ★ T Railtrack plc (in administration) | – | – | – | – | – | – | – | – |
| Support for Local Authorities | | | | | | | | |
| ★ U GLA transport grant | – | – | – | – | – | – | – | – |
| ★ V Other transport grants (discretionary resource expenditure) | – | – | – | – | – | – | – | – |
| W Other transport grants (non-discretionary resource expenditure) | – | – | – | – | – | – | – | – |
| ★ X Speed and red-light camera enforcement | – | – | – | – | – | – | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| Central Government Spending | | | | | | | | |
| Non-Cash items | | | | | | | | |
| Y Ports and Shipping Services | – | – | – | – | – | – | – | – |
| Z Maritime and Coastguard Agency | – | – | – | – | – | – | – | – |
| AA Aviation services | – | – | – | – | – | – | – | – |
| AB Highways Agency | – | – | – | – | – | – | – | – |
| AC Statistics, censuses and surveys | – | – | – | – | – | – | – | – |
| AD Consultancies and other services for roads and local transport | – | – | – | – | – | – | – | – |
| AF Driver and Vehicle Licensing Agency– | – | – | – | – | – | – | – | – |
| AF Vehicle Certification Agency– | – | – | – | – | – | – | – | – |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| AG Highways Agency | – | – | – | – | – | – | – | – |
| AH Vehicle Inspectorate trading fund | – | – | – | – | – | – | – | – |
| AI Driving Standards Agency trading fund– | – | – | – | – | – | – | – | – |
| AJ Strategic Rail Authority | – | – | – | – | – | – | – | – |
| AK Trans European network payments for other local transport projects (net) | – | – | – | – | – | – | – | – |
| AL Trans European network payments for rail and other transport industries projects (net) | – | – | – | – | – | – | – | – |
| AM Water Freight Grant | – | – | – | – | – | – | – | – |
| AN Other Railways | – | – | – | – | – | – | – | – |

Part II: Revised subhead detail including additional provision (continued)

| | | Resources | | | | | | Capital | | £'000 |
|-----|--|-----------|------------------|-------------------|-------------------|---------------|-------------------|------------|-----------------------------|-------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- Operating A in A | |
| AO | Goods Vehicle VED Relief | – | – | – | – | – | – | – | – | |
| AP | Capital transport grants to local authorities | – | – | – | – | – | – | – | – | |
| AQ | Publicity and advice | – | – | – | – | – | – | – | – | |
| AR | GLA Transport Grant | – | – | – | – | – | – | – | – | |
| AS | Payment to Department for Transport for Machinery of Government Transfers | – | – | 9,260,755 | 9,260,755 | – | 9,260,755 | 715,368 | – | |
| | RfR3: Promoting a system of elected government responding to the needs of local communities | – | 188,569 | 37,660,425 | 37,848,994 | 12,639 | 37,836,355 | 540 | 40 | |
| | Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| | <i>Central Government Spending</i> | | | | | | | | | |
| ★ A | Valuation services | – | 148,495 | – | 148,495 | 9,995 | 138,500 | 540 | 40 | |
| ★ B | Best Value inspection subsidies to public corporations and Best Value intervention costs | – | 26,278 | – | 26,278 | – | 26,278 | – | – | |
| ★ C | Local government research & publicity; and Local Government Commission mapping costs and electoral law | – | 6,804 | – | 6,804 | 360 | 6,444 | – | – | |
| ★ D | London governance | – | 6,492 | – | 6,492 | – | 6,492 | – | – | |
| | <i>Support for Local Authorities</i> | | | | | | | | | |
| ★ E | Revenue support grants | – | – | 20,146,529 | 20,146,529 | 2,284 | 20,144,245 | – | – | |
| F | Non-domestic rates payments | – | – | 16,626,000 | 16,626,000 | – | 16,626,000 | – | – | |
| ★ G | London governance | – | – | 27,950 | 27,950 | – | 27,950 | – | – | |
| ★ H | Other grants and payments | – | – | 327,297 | 327,297 | – | 327,297 | – | – | |

Part II: Revised subhead detail including additional provision (continued)

| | | Resources | | | | | | Capital | £'000 |
|---|---|----------------|---------------|----------------|----------------|----------------|----------------|---------------|----------------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| I | Non-domestic rates outturn adjustments | – | – | 250,000 | 250,000 | – | 250,000 | – | – |
| J | Other grants and payments | – | – | 272,528 | 272,528 | – | 272,528 | – | – |
| K | Non-departmental public bodies | – | – | 10,100 | 10,100 | – | 10,100 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| L | Valuation services | – | 500 | – | 500 | – | 500 | – | – |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| M | Payment to Lord Chancellor's Department for Machinery of Government Transfers | – | – | 21 | 21 | – | 21 | – | – |
| RfR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives | | | | | | | | | |
| | | 290,696 | 1,834 | 328,971 | 621,501 | 110,963 | 510,538 | 51,873 | 613 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | |
| ★ A | Central administration | 149,314 | 1,372 | – | 150,686 | 5,293 | 145,393 | 17,594 | – |
| ★ B | Health and Safety Executive | – | – | – | – | – | – | – | – |
| ★ C | Health and Safety Laboratory | – | – | – | – | – | – | – | – |
| ★ D | PSA Services | 7,000 | – | – | 7,000 | – | 7,000 | – | – |
| ★ E | Queen Elizabeth II Conference Centre Executive Agency | 1,220 | – | – | 1,220 | – | 1,220 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| F | Central administration | 25,237 | 49 | – | 25,286 | – | 25,286 | – | – |
| G | Health and Safety Executive | – | – | – | – | – | – | – | – |
| H | Health and Safety Laboratory | – | – | – | – | – | – | – | – |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| I | Queen Elizabeth II Conference Centre Executive Agency Trading Fund short term loans | – | – | 2 | 2 | – | 2 | – | – |

Part II: Revised subhead detail including additional provision (continued)

| | Resources | | | | | | Capital | £'000 | |
|---|---|----------------|------------------|-------------------|-------------------|----------------|-------------------|----------------------|------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | |
| ★ J | Government Office Administration | 107,925 | – | – | 107,925 | – | 107,925 | 613 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | |
| K | Government Office Administration | – | 413 | – | 413 | – | 413 | – | – |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| L | Payment to Department for Transport for Machinery of Government Transfers | – | – | 121,583 | 121,583 | – | 121,583 | 23,101 | – |
| M | Payment from the Cabinet Office for Machinery of Government Transfers | – | – | – | – | 103,279 | –103,279 | – | 613 |
| N | Payment to the Department for Work and Pensions for Machinery of Government Transfers | – | – | 207,386 | 207,386 | – | 207,386 | 10,565 | – |
| O | Payment from the Home Office for Machinery of Government Transfers | – | – | – | – | 2,391 | –2,391 | – | – |
| TOTAL | | 375,633 | 1,431,110 | 55,070,598 | 56,877,341 | 138,879 | 56,738,462 | 817,688 | 689 |

Part II: Resource to cash reconciliation

| | £'000 | | |
|---|-------------------|-------------------------------|-------------------|
| | Present | Increase (+)/ Decrease (-) | Revised |
| Net total resources: | 56,670,317 | 68,145 | 56,738,462 |
| Voted capital items: | | | |
| Capital Expenditure | 785,534 | -32,154 | 817,688 |
| less: Non-operating A-in-A | 14,338 | -13,649 | 689 |
| Total net voted capital | 771,196 | 45,803 | 816,999 |
| Accruals to Cash Adjustments: | | | |
| Cost of capital charges | -3,739,322 | 234,416 | -3,504,906 |
| Depreciation | -76,052 | 58,734 | -17,318 |
| New provisions and adjustments to previous provisions | 138,182 | -150,238 | -12,056 |
| Other non-cash items | -46 | 46 | - |
| Increase (+) / decrease (-) in stock | -208 | 208 | - |
| Increase (+) / decrease (-) in debtors | -385,616 | 192,741 | -192,875 |
| Increase (-) / decrease (+) in creditors | 662,250 | -331,125 | 331,125 |
| Use of provisions | 3,952 | -3,952 | - |
| Total accruals to cash adjustments | -3,396,860 | 830 | -3,396,030 |
| Excess cash to be CFER'd | - | - | - |
| Net cash requirement | 54,044,653 | 114,778 | 54,159,431 |

Part III: Extra Receipts payable to the Consolidated Fund

£000

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

| | Present provision | | New Provision | |
|---|-------------------|-----------------|---------------|-----------------|
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as appropriations-in-aid | 32,312 | 27,212 | 2,110 | 2,149 |
| Non-operating income not classified as appropriations in aid | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | 55,074 | 52,734 | - | - |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - |
| Total | 87,386 | 79,946 | 2,110 | 2,149 |

Forecast Operating Cost Statement

| | | £'000 Provision 2002-2003 |
|---------------------------------------|----------------|---------------------------------|
| Net Administration Costs | | |
| RfR1 | 78,452 | |
| RfR2 | - | |
| RfR3 | - | |
| RfR4 | <u>285,666</u> | |
| Total Net Administration Costs | | 364,118 |
| Net Programme Costs | | |
| RfR1 | 9,051,775 | |
| RfR2 | - | |
| RfR3 | 37,835,810 | |
| RfR4 | 687 | |
| Non-voted Expenditure | <u>-</u> | |
| Total Net Programme Costs | | 46,888,272 |
| TOTAL NET OPERATING COST | | 47,252,390 |
| <i>of which:</i> | | |
| NET RESOURCE OUTTURN | | 56,738,462 |
| CFER's | -2,110 | |
| Non-voted Expenditure | - | |
| RESOURCE BUDGET OUTTURN | | 43,597,528 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-2003 Provision |
|---|---------------------------------|
| Net Resources Outturn (Estimates) | 56,738,462 |
| <i>Adjustments for:</i> | |
| Non-voted Expenditure in the OCS | - |
| Consolidated Fund Extra Receipts in the OCS | -2,110 |
| Provision voted for earlier years | - |
| Other adjustments including Machinery of Government changes | -9,484,075 |
| Net Operating Costs (Accounts) | 47,252,390 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts (CFERs) | 1,772 |
| Full resource consumption of non departmental public bodies | -1,609,872 |
| Full resource consumption of public corporations | -91,069 |
| Capital grants to the private sector and local authorities | -2,171,639 |
| Gains / Losses from sale of capital | - |
| European Union income and related adjustments | 210,115 |
| Voted expenditure outside the budget | -266,699 |
| Unallocated resource provision | 4,597 |
| Other adjustments | 267,933 |
| Resources Budget Outturn (Budget) | 43,597,528 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | 39,321,130 |
| Annually Managed Expenditure (AME) | 4,276,398 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-2003 Provision |
|---|---------------------------------|
| Net Voted Capital Outturn (Estimates) | 816,999 |
| Other Consolidated Fund Extra Receipts | - |
| Full capital expenditure by non departmental public bodies | 1,574,857 |
| Full capital expenditure by public corporations | 98,246 |
| Capital grants to the private sector, local authorities and public corporations | 1,049,039 |
| Gains / Losses from sale of capital assets | - |
| Local authority credit approvals | 1,125,567 |
| Levy funded bodies | - |
| Unallocated capital provision | 792 |
| Provision voted for earlier years | - |
| Other Adjustments including Machinery of Government reversals | -748,421 |
| Capital budget outturn (Budget) | 3,917,079 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 3,792,079 |
| Annually Managed Expenditure (AME) | 125,000 |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Office of the Deputy Prime Minister as Accounting Officer of the Office with responsibility for preparing the Office's accounts and for transmitting them to the Comptroller and Auditor General.

In addition, the Treasury has appointed additional Accounting Officers to be accountable for those parts of the Office's accounts relating to specific requests for resources and the associated assets, liabilities and cash flows. These appointments do not detract from the Head of Office's overall responsibility as Accounting Officer for the Office's Estimate.

The allocation of Accounting Officer responsibilities in the Office of the Deputy Prime Minister is as follows:

- Requests for Resources 1 and 4:** Mrs Mavis McDonald, Principal Accounting Officer and Permanent Head of the Office
- Request for Resources 3:** Mr Philip Wood, Additional Accounting Officer and Director General of the Local and Regional Government Group of the Office.

The responsibilities of the accounting officers, including responsibility for the propriety and regularity of the public finances for which the accounting officers are answerable, for keeping proper records and for safeguarding the Office's assets, are set out in the accounting officers' memorandum, issued by the Treasury and published in Government Accounting.

Analysis of appropriations in Aid

| | 2002-03 Provision | | £'000 |
|---|---------------------|-------------------------|-------------|
| | Operating A-in-A | Non-operating A-in-A | |
| RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety | | | |
| Housing – section A | 207 | | 21 |
| <i>of which:</i> | | | |
| <i>Rent Assessment Panels: charges for services, etc.</i> | 205 | | – |
| <i>Housing corporation board: pension contribution</i> | 2 | | – |
| <i>Housing corporation: receipt of loan interest</i> | – | | 21 |
| Regeneration and Regional Policy – section E | 600 | | – |
| <i>of which:</i> | | | |
| <i>Receipts generated by the Urban Summit</i> | 600 | | – |
| Planning – section H | 80 | | – |
| <i>(Planning research: receipts from co-sponsors)</i> | | | |
| The Planning Inspectorate Executive Agency – section I | 6,485 | | – |
| European Structural Funds (net) – section J | 6,000 | | – |
| Fire Services – section L | 100 | | – |
| <i>(Receipts from inspections by HM Fire Service Inspectorate)</i> | | | |
| Fire Superannuation – section V | 305 | | – |
| <i>(Contributions by employees towards fire-fighters' pensions, and fire services transfer values received from Local Authorities)</i> | | | |
| Other Regeneration – section AF | 1,500 | | – |
| <i>Single Regeneration Budget: Capital receipts (clawbacks)</i> | | | |
| Fire Service College – section AK | – | | 15 |
| <i>(Repayment of deemed and voted loans)</i> | | | |
| Total RfR 1 | 15,277* | | 36** |

* Amount that may be applied as appropriation 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, 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, agencies and non-departmental public bodies; receipts from the European Union; adjustments to commuted loan charges or residual loan charge grants; donations; receipts from the Housing Corporation; charges for services provided by leasehold valuation tribunals and other receipts by Rent Assessment Panels; recovered renovation or disabled facilities grants; recovered derelict land and other regeneration grants; charges made by the Planning Inspectorate executive agency in England and for services in Wales; inspections by HM Fire Service Inspectorate; contributions by employees towards fire-fighters' pensions; fire service superannuation transfer values received from local authorities; repayments of deemed and voted loans made to the Fire Service College; and receipts from Urban Summit

** Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; the sale of motorway service area freeholds; 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 by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and the sale of PSA businesses.

RfR2: Promoting modern, integrated and safe transport and providing customer-focused regulation

| | | | |
|--|---|--|---|
| Ports and Shipping Services – section A | – | | – |
| <i>(Receipts in respect of the IMO building, Mersey Conservancy, shipping services and the hire of Civil Defence equipment)</i> | | | |
| Maritime and Coastguard Agency – section B | – | | – |
| <i>(Fees and receipts from the survey of ships, port state control inspections, examinations and the certification of seafarers)</i> | | | |
| Aviation services – section C | – | | – |
| <i>(Receipts from Eurocontrol)</i> | | | |
| Highways Agency – section E | – | | – |
| <i>of which:</i> | | | |
| <i>Highways Agency Administration</i> | | | |
| <i>Highways Agency Programme</i> | | | |
| <i>Book value of sale of existing buildings</i> | | | |
| <i>Book value of sale of other tangible capital</i> | | | |

| | 2002-03 Provision | | £'000 |
|---|---------------------|-------------------------|-------|
| | Operating A-in-A | Non-operating A-in-A | |
| Statistics, censuses and surveys – section H <i>(Sale of statistical services)</i> | -- | -- | -- |
| Consultancies and other services for roads and local transport – section I <i>(Booking fees for driving assessments and disposal of MAVIS vehicles, and recoveries from local authorities in respect of public inquiries into highway orders)</i> | -- | -- | -- |
| Other Railways – section L <i>(Privatisation of ROSCOS)</i> | -- | -- | -- |
| Driver and Vehicle Licensing Agency – section O <i>of which:</i> <i>Drivers</i> <i>Vehicles</i> <i>Sale of Marks</i> <i>CT and assignment and related costs</i> <i>Wheelclamping and out of court settlements</i> <i>Award of court costs</i> <i>Accommodation</i> <i>Other</i> <i>Sale of assets</i> | -- | -- | -- |
| Vehicle and traffic enforcement – section P <i>(Operator Licence enforcement receipts)</i> | -- | -- | -- |
| Vehicle Certification Agency – section Q <i>(Receipts from the private sector for vehicles and component testing and from the Department for enforcement and related work)</i> | -- | -- | -- |
| Dartford Tunnel Crossing – section S <i>(Receipts from the Dartford River Crossing Ltd)</i> | -- | -- | -- |
| Government Office Programme Expenditure | -- | -- | -- |
| Office of Passenger Rail Franchising | -- | -- | -- |
| Railtrack plc (in administration) -- section T | -- | -- | -- |
| Speed and red-light camera enforcement – section X | -- | -- | -- |
| Vehicle Inspectorate trading fund – section AH <i>(Repayment of deemed and voted loans)</i> | -- | -- | -- |
| Driving Standards Agency trading fund – section AI <i>(Repayment of deemed and voted loans)</i> | -- | -- | -- |
| Payments from Office of Passenger Rail Franchising | -- | -- | -- |
| Consultancies and other services for roads and local transport | -- | -- | -- |
| Payment to Department for Transport for Machinery of Government Transfers – section AS | -- | -- | -- |
| Total RfR 2 | * | ** | ** |

* Amount that may be applied as appropriation 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, hire and storage of equipment, seminars, 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, agencies and non-departmental public bodies; receipts from the European Union; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; receipts for the use of accommodation; rental income and receipts from property and land; the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; fees for driving assessments; driver licence and vehicle fees; fees from duplicate licences; operator licence enforcement receipts; speed and red light camera fixed penalty receipts; fees for the sale, transfer, retention and extension of cherished registration marks; fines from wheel clamping; administration receipts arising from the operation of driver and vehicle licensing; 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; repayments of loans or other payments made to National Air Traffic Services; repayments of loans or other payments made under section 63 of the Railways Act 1993 to Railtrack plc (in administration); receipts from Strategic Rail Authority; the Channel Tunnel Rail Link; fees and receipts from the survey of ships, Port State Control inspections, examinations and the certification of seafarers; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension schemes; Eurocontrol; subsidy provided under the New Deal – Welfare to Work; and repayments of deemed and voted loans made to the Vehicle Inspectorate and the Driving Standards Agency.

**Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; the sale of motorway service area freeholds; 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 by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and the sale of PSA businesses.

| | 2002-03 Provision | | £'000 |
|--|---------------------|-------------------------|--------------|
| | Operating A-in-A | Non-operating A-in-A | |
| RfR3: Promoting a system of elected government responding to the needs of local communities | | | |
| Valuation services – section A | 9,995 | | 40 |
| Local government research and publicity; and Local Government Commission mapping costs and electoral law – section C | 360 | | – |
| Revenue support grants – section E <i>(Fine income from the Lord Chancellor's Department)</i> | 2,284 | | – |
| Total RfR 3 | 12,639* | | 40 ** |
| * Amount that may be applied as appropriation in aid in addition to the net total arising from sponsorship, including contributions from co-sponsors towards the cost of research and publicity; the Home Office; repayments by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; receipts relating to the electoral functions of the Boundary Commission; and fines passed on by the Lord Chancellor's Department. | | | |
| **Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; the sale of motorway service area freeholds; 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 by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and the sale of PSA businesses. | | | |
| RfR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives | | | |
| Central Administration – section A | 5,293 | | – |
| Payment from the Cabinet Office for Machinery of Government Transfers – section M | 103,279 | | 613 |
| Payment from the Home Office for Machinery of Government Transfers – section O | 2,391 | | – |
| Total RfR 4 | 110,963* | | 613** |
| Grand Total RfR 4 | 138,879* | | 689** |

* Amount that may be applied as appropriation 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, conferences and publications (in print and non-print media); other government departments, agencies and non-departmental public bodies; the disposal of land, buildings, 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; sponsorship, including contributions from co-sponsors towards the cost of research and surveys; donations; legal claims, including extra-contractual claims for defective work, awards of court costs and out of court settlements; in respect of the Health and Safety Commission, fees and charges levied by the Health and Safety Commission (HSC); research and administrative services, testing (including EECS), fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars, patent rights, conferences and publications (in print and non-print media) provided by the HSC; payments from other government departments, agencies, non-departmental public bodies and overseas governments to the HSC; sales of land and buildings, water, stores, plant, equipment, machinery and vehicles of the HSC; recoveries of seconded staff salaries of the HSC; receipts for the use of HSC accommodation; rental income and receipts from HSC property and land; sponsorship, including contributions from co-sponsors towards the cost of research and surveys carried out by the HSC; recoveries by the HSC from the European Union in respect of travelling expenses and subsistence; allowances incurred by HSC staff on European Union business; contributions and recoveries from the European Union of costs of HSC research and projects; legal claims of the HSC, including awards of court costs and out of court settlements; refunds of advance of salaries of HSC staff; repayment of loans made by the HSC, including interest on the loans; residual items from the sale of the Building Research Establishment; receipts associated with the Emergency Fire Services; and the sale of Property Services Agency businesses.

**Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan, hire or storage of equipment; the sale of motorway service area freeholds; 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 by employees of valuation tribunals of loans advanced to purchase cars; rental income and receipts from accommodation leased from or shared with valuation tribunal offices; and the sale of PSA businesses.

Analysis of Extra Receipts payable to the Consolidated Fund (CFER's)

| | £'000 | |
|---|--------------|--------------|
| | Income | Receipts |
| Fire Service College (Repayment of interest on long term loans) | 397 | |
| Planning Inspectorate Executive Agency (Fees received from appeals against enforcement notices) | 190 | |
| Humber Bridge Board ● | – | |
| Tyne Tunnel ● | – | |
| Second Mersey Tunnel ● | – | |
| Grants, services and consultancies for roads and local transport ● | – | |
| Speed and red light camera enforcement ● | – | |
| Bus fuel duty grants | – | |
| Highways Agency ● | – | |
| Maritime and Coastguard Agency (Fees from registration of ships) | – | |
| Driver and Vehicle Licensing Agency | – | |
| <i>Of Which:</i> | – | |
| <i>Sale of Marks</i> | – | |
| <i>Cherished Transfers and Assignments</i> | – | |
| <i>Interest from Post Office</i> | – | |
| <i>Excess Appropriations-in-Aid</i> | – | |
| <i>Other</i> | – | |
| Driving Standards Agency (Trading Fund) | – | |
| Vehicle Inspectorate (Trading Fund) | – | |
| Transport statistics – freight | – | |
| Operator Licence Fee Refunds | – | |
| Valuation Services | 24 | |
| Central administration | 11 | |
| QEII Conference Centre Agency (Trading Fund) | 1,488 | |
| Miscellaneous | | 2,149 |
| Total | 2,110 | 2,149 |

SUNDRY NOTES

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Deputy Prime Minister to the House of Commons the ODPM Main Programme DEL has decreased as follows:

| Resources | £000 | Capital | £000 |
|-----------|-----------|-----------|------------|
| Change | 3,163,065 | Change | -4,946,999 |
| New DEL | 1,921,595 | New DEL | 3,511,051 |
| of which: | | of which: | |
| Voted | 1,487,401 | Voted | 1,436,553 |
| Non Voted | 434,194 | Non Voted | 2,074,498 |

and the ODPM Local Government DEL has increased as follows:

| Resources | £000 | Capital | £000 |
|-----------|------------|-----------|---------|
| Change | 27,967 | Change | 7,169 |
| New DEL | 37,403,935 | New DEL | 281,028 |
| of which: | | of which: | |
| Voted | 37,311,082 | Voted | 273,028 |
| Non Voted | 92,853 | Non Voted | 8,000 |

The main ODPM administration costs limit has decreased by £356,671,000 from £698,802,000 to 3342,131,000. The former DTLR HSE administration cost limit will be transferred to the Department for Work and Pensions.

Expenditure resting on the sole authority of the Appropriation Act

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

- Expenditure of £50,000 on RfR1, section A, for the tenant's deposit scheme.
- Expenditure of £3,000,000 on RfR1, section A, for the Home Buying and Selling Initiative.
- Expenditure in respect of fire related matters: fire research programme £821,000; investment in the Community Fire Safety Centre £4,886,000; grants to Fire Service Youth Training Association £58,000; and grant to Chief and Assistant Chief Officers' Association £150,000 (RfR1: sections L and AK).
- Expenditure of £56,000,000 in England and Wales on RfR1, section L, to combat terrorism, to deal with mass the aftermath of terrorism and for the replacement of fire service radio systems.

Gifts

RfR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives

The gifts delegations associated with this Request for Resources are as follows:-

Gifts presented by Ministers on official delegations; and

Prizes totalling up to £100 for designs for an Office Christmas Card.

Contingent liabilities

RfR1: Offering the opportunity of a decent home, promoting sustainable economic development through integrated regional and local action and improving health and safety

There were several outstanding contingent liabilities outstanding at 31 March 2002, where any costs arising would be met from this request for resources as follows:

| Statute | Nature of liability Statutory liabilities charged to request for resources | £m |
|---|---|-----|
| Housing Association Act 1985, Section 84 | Indemnity of building society mortgages for shared ownership schemes | 1.0 |
| Section 8(1) of the Housing Act 1974 as amended by section 4 of miscellaneous Financial Provisions Act 1983 | Guarantee of Housing Corporation temporary borrowing | 5.0 |
| Newtowns Act 1981 | Guarantee of commission for New Towns temporary borrowing | 2.0 |

RFR4: Providing for the administration of the Office of the Deputy Prime Minister (formerly the Department for Transport, Local Government and the Regions) and the Health and Safety Commission in meeting their objectives

There were several outstanding contingent liabilities outstanding at 31 March 2002, where any costs arising would be met from this request for resources are as follows:

| | £m |
|---|----------------|
| Claims from staff affected by asbestos who worked for the Property Services Agency or its predecessors | Up to 1.1 |
| The Office's decisions and actions are subject to judicial review and other appeals in the courts. Currently there are around 300 cases where proceedings in the courts have commenced. Not all of these cases will come to court and, where they do come to court, the outcome is not clear. | Unquantifiable |

Cash which may be retained to offset expenditure

| | |
|--|--------------|
| Cash, which may be retained to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid, is | £139,568,000 |
|--|--------------|

Office of The Rail Regulator

Introduction

This supplementary is required for the following main purpose:

1. To record an increase in the net cash requirement due to income deferred from the previous year, 2001-02 into the year 2002-03, of £213,000, following the completion of the final audit of the 2001-02 Resource Accounts.
2. As a result of this change, there is an increase in Net Cash Requirement of £213,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

| | |
|--|----------------|
| | £ |
| RfR1: To create a better railway for passengers and freight and better value for public funding authorities through independent, fair and effective regulation. | — |
| Total net resource requirement | — |
| Additional net cash requirement | 213,000 |

SUPPLEMENTARY amount required in the year ending 31 March 2003 for expenditure by the Office of the Rail Regulator on:

RfR1: To create a better railway for passengers and freight and better value for public funding authorities through independent, fair and effective regulation.

The Office of the Rail Regulator will account for this Estimate.

Part II: Changes proposed

| Capital and Cash | Present Net Provision | Change in Provision | £'000 New Provision |
|-----------------------------|--------------------------|------------------------|---------------------------|
| Total Capital Expenditure | 190 | — | 190 |
| Non-Operating A-in-A | — | — | — |
| Net cash requirement | 2,153 | 213 | 2,366 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 |
|--|---------------|---------------|----------|---------------|---------------|-----------|---------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| RfR 1: To create a better railway for passengers and freight and better value for public funding authorities through independent, fair and effective regulation | 13,128 | – | – | 13,127 | 13,128 | 1 | 190 | – | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| Central Government spending | | | | | | | | | |
| ★ A. Administration, associated capital and other expenditure | 12,444 | – | – | 12,444 | 13,128 | –684 | 190 | – | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| Non-cash items | | | | | | | | | |
| B. Administration, associated capital and other expenditure | 685 | – | – | 685 | – | 685 | | | |
| TOTAL | 13,129 | – | – | 13,129 | 13,128 | 1 | | | |

Part II: Resource to cash reconciliation

| | Present | Increase (+)/ Decrease (-) | Revised |
|---|----------------|-------------------------------|--------------|
| Net total Resources | 1 | – | 1 |
| Voted Capital items: | | | |
| Capital | 190 | – | 190 |
| Less Non-operating A in A | – | – | – |
| Total net voted capital | 190 | – | 190 |
| Accruals to cash adjustments: | | | |
| Cost of capital | –72 | – | –72 |
| Depreciation | –560 | – | –560 |
| New provisions and adjustments to previous provisions | –53 | – | –53 |
| Other non-cash items | –33 | – | –33 |
| increase(+)/decrease(–) in stock | – | – | – |
| increase(+)/decrease(–) in debtors | – | – | – |
| increase(+)/decrease(–) in creditors | 2,674 | 213 | 2,887 |
| Use of provisions | 6 | – | 6 |
| Total accruals to cash adjustments | –76,392 | | |
| Excess cash to be CFERd | 1,962 | 213 | 2,175 |
| Net cash requirement | 2,153 | 213 | 2,366 |

PART III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement:

| | £'000 |
|---------------------------------|------------------------|
| | 2002-2003 Provision |
| Net Administration Costs | |
| RfR1 | 1 |
| Total Net Administration Costs | 1 |
| TOTAL NET OPERATING COST | 1 |
| <i>Of which:</i> | |
| NET RESOURCE OUTTURN | 1 |
| CFERs | - |
| Non-voted expenditure | - |
| RESOURCE BUDGET OUTTURN | 1 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|--------------------------------------|------------------------|
| | 2002-2003 Provision |
| Net Resource Outturn (Estimates) | 1 |
| Net Operating Costs (Accounts) | 1 |
| Resource Budget Outturn (Budget) | 1 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | -684 |
| Annually Managed Expenditure (AME) | 685 |

Reconciliation of capital expenditure between Estimates, and Budgets

| | £'000 |
|---------------------------------------|------------------------|
| | 2002-2003 Provision |
| Net Voted Capital Outturn (Estimates) | 190 |
| Capital Budget Outturn (Budget) | 190 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | 190 |
| Annually Managed Expenditure (AME) | |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Rail Regulator, Mr Tom Winsor, as Accounting Officer of the Office of the Rail Regulator with responsibility for preparing the Office's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Office's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Analysis of appropriation in aid

| | £'000 | |
|---|---------------------|-----------------------------|
| | 2002-03 provision | |
| | Operating A in A | Non- operating A in A |
| RfR1: To create a better railway for passengers and freight and better value for public funding authorities, through independents, fair and effective regulation. | | |
| Licence Fees | 13,128 | – |
| Total A-in-A | *13,128 | – |

*Amount that may be applied as appropriations in aid to the net total, arising from receipts for licence fees.

Departmental Expenditure Limits and Administration Costs Limits

As a result of this Supplementary Estimate there is no change to either the Departmental Expenditure Limit or the Administration Costs Limit.

Cash which may be retained to offset expenditure

| | £'000 |
|---|--------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 13,128 |

Home Office

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - (i) transfer of £13,214,000 from RfR01: subhead A1 to subhead C1 representing funding for drugs following a functional change in the Home Office's structure
 - (ii) transfer of £3,019,000 from RfR01: subhead B1 to subhead J1 in respect of the Crime Reduction Programme
 - (iii) transfer of £2,600,000 from RfR02: subhead A2 to RfR01: subhead F2 for Drug Hostels Budget to National Probation Directorate
 - (iv) transfer of £5,000,000 from RfR01: subhead A3 to subhead K2 in respect of Police Recruitment Campaign
 - (v) transfer of £5,200,000 from RfR01: subhead A3 to RfR01: subhead K2 in respect of Vehicle Crime Reduction Communications Campaign
 - (vi) transfer of £5,708,000 from RfR01: subhead B3 to subhead J2 in respect of the Crime Reduction Programme
 - (vii) transfer of £55,264,000 from RfR01: subhead A3 to subhead C3 representing funding for drugs following a functional change in the Home Office's structure
 - (viii) transfer of £3,120,000 from RfR01: subhead B3 to subhead AP3 provision from the crime reduction programme for the costs of youth inclusion programmes
 - (ix) transfer of £230,000 from RfR02: subhead C1 to RfR01: subhead A1 for a contribution to the PSDB budget for research work done on behalf of the Prison Service
 - (x) transfer of £13,000 from RfR02: subhead C1 to RfR01: subhead K1 in respect of set up and running costs of the CARATdatabase
 - (xi) transfer of £1,500,000 from RfR01: subhead C2 to subhead K2 in respect of a Drugs Awareness Campaign
 - (xii) transfer of £8,500,000 from RfR01: subhead C3 to subhead AP3 to allow Youth Offending teams access to specialist drugs workers and for treatment programmes
 - (xiii) transfer from subhead D2 in RfR01, of £3,944,000 to subhead A2 and £352,000 to subhead C2 in RfR02 representing costs connected with the management of offenders with dangerous and severe personality disorder
 - (xiv) transfer of £215,000 and £343,000 from RfR01: subhead D2 to subhead AP3 representing the invest to save (Round 4) Parenting Involvement Study and Community Merit Awards Project
 - (xv) transfer of £410,000 from RfR01: subhead D7 to subhead AM3 representing an exchange of capital provision between Criminal Policy Group and CICA
 - (xvi) transfer of £410,000 from RfR01: subhead D3 to subhead AM3 representing an exchange of resource provision between Criminal Policy Group and CICA
 - (xvii) transfer of £14,000 from RfR01: subhead D7 to subhead AP3 representing the Invest to Save (Round 4) Community Merit Awards Project

- (xviii) transfer of £10,234,000 from RfR01: subhead F2 to subhead D2 representing a reallocation of provision within the Department
- (xix) transfer of £169,000 from RfR01: subhead F2 to RfR02: subhead A2 for operating costs of the Bagthorpe Unit at HMP Nottingham
- (xx) transfer of £340,000 from RfR01: subhead F2 to RfR02: subhead A2 for costs arising from the Prison and Probation Joint Psychology Service.
- (xxi) transfer of £95,000 from RfR01: subhead F2 to RfR02: subhead C2 for costs arising from the Prison and Probation Joint Psychology Service
- (xxii) transfer of £10,000 from RfR01: subhead G3 to the Department of Education and Skills for match funding Support for Enterprising Communities
- (xxiii) transfer of £3,263,000 from RfR01: subhead G3 to the Department of Education and Skill for match funding prisoners. Learning and Skill unit and for HEFCE grant for Active Community Fund.
- (xxiv) transfer of £28,000 from RfR01: subhead G3 to A53 for Additional grant in aid for the Community Development Foundation
- (xxv) transfer of £2,006,000 from RfR01: subhead H1 to RfR02: subhead A1 for costs associated with the Immigration Removal Centres at Haslar, Dover and Lindholme
- (xxvi) transfer of £30,000 from RfR01: subhead J2 to Department of Health in respect of Young People Schools Survey
- (xxvii) transfer of £6,000 from RfR01: subhead K1 to RfR02: subhead C1 in respect of maintenance costs
- (xxviii) reduction of £300,000 in RfR01: subhead AC3 representing a CMF provision
- (xxix) transfer of £4,000,000 and £6,000,000 from RfR01: subhead AC3 to AP3 representing a reallocation of Capital Modernisation Fund provision (already drawn down) for Mother & Baby Units for mothers aged under 18 sentenced or remanded to secure facilities and for the expansion of the Secure Training Centre Estate
- (xxx) transfer of £11,400,000 from RfR01: subhead AC3 to subhead Z3 Capital Modernisation Fund (Round 3) for 'Joined Up Justice – Integrated CJS for Warwickshire'
- (xxxi) transfer of £41,000 from RfR02: subhead C1 to subhead J1 in respect of Prisons CARAT database
- (xxxii) transfer of £86,000 from RfR02: subhead C1 to RfR01: subhead J1 in respect of Long Term Evaluation of Offending Behaviour Programmes
- (xxxiii) to provide additional funding from the Del Reserve of £54,000,000 to RfR01: subhead N3 for community safety officers and other policing announced in the budget 2002
- (xxxiv) to provide additional of resources of £6,338,000 for RfR01: subhead AL3 for funding agreed as part of SR2000 to tackle organised crime
- (xxxv) to provide additional resources of £3,674,000 for RfR01: subhead AK3 for funding agreed as part of SR2000 to tackle organised crime
- (xxxvi) transfer of £673,000 from RfR01: subhead A2 to the Department of Health for contribution to the costs of the Victoria Climbié Inquiry

- (xxxvii) transfer of £1,500,000 from RfR01: subhead B3 to the Office of the Deputy Prime Minister for change in provision from crime reduction programme for the Neighbourhood Warden Scheme
- (xxxviii) transfer of £100,000 from RfR01: subhead G3 to the Lord Chancellor's Department for match funding projects
- (xxxix) transfer of £1,188,000 from RfR01: subhead B3 to the National Assembly for Wales (£1,130,000 for funding the Partnership Development Fund (PDF) 2002-03 and £58,000 for Partnership Support Programme (PSP) 2002–03)
- (xl) transfer of £436,000 from RfR01: subhead B3 to the National Assembly for Wales for the costs of the Welsh crime reduction team
- (xli) transfer of £46,000 from RfR01 subhead J2 to HM Customs & Excise in respect of Cocaine Market Seizing Research
- (xlii) transfer of £450,000 from RfR01: subhead D7 to the Department of Health for Broadmoor Pilot Ward
- (xliii) transfer of £30,000 from Department of Trade & Industry to RfR 01 subhead J2 in respect of Crime Against Business Initiative
- (xliv) transfer of £38,000 from the Department for International Development to RfR01: subhead D3 representing contribution to membership of the Group of States Against Corruption (GRECO)
- (xlv) transfer of £45,000 from RfR01: subhead H1 to the Lord Chancellor Department for the Immigration Appeals Tribunal
- (xlvi) transfer of £65,000 from RfR01: subhead H2 to the Lord Chancellor Department for the Immigration Appeals Tribunal
- (xlvii) Increase in RfR01: subhead A7 of £4,200,000 from the Criminal Justice System Reserve to provide the appropriate provision for video identification
- (xlviii) Increase in RfR01: subhead Z3 of £10,600,000 from the Criminal Justice System Reserve to provide the appropriate provision for police to combat street crime.
- (xlix) transfer of £2,838,000 from RfR01: subhead D2 to subhead D1 representing a transfer of CJS Reserve
- (l) transfer of 21,751,000 within RfR01: subhead D2 to subhead D2 representing a transfer of CJS Reserve
- (li) transfer of £1,381,000 from RfR01: subhead D2 to subhead AQ3 representing a transfer of CJS Reserve
- (lii) transfer of £768,000 from RfR01: subhead D2 to subhead AP3 representing a transfer of CJS Reserve
- (liii) transfer of £35,347,000 from RfR01: subhead D2 to RfR02: Subhead A1 (20,180,000), A2 (2,939,000), B1 (£713,000) and C1 (£11,515,000) representing a transfer of CJS Reserve
- (liv) transfer of £18,206,000 from RfR01: subhead D2 to subhead D3 representing reallocation of resources within the Department
- (lv) transfer of £1,700,000 from RfR01: subhead D7 to the Crown Prosecution Service representing a transfer of CJS Reserve

- (lvi) transfer of £8,000,000 from RfR01: subhead D7 to Cabinet Office representing a transfer of CJS Reserve
- (lvii) transfer of £8,000,000 from RfR01: subhead D7 to the Lord Chancellors Department representing a transfer of CJS Reserve
- (lviii) transfer of £22,000,000 from RfR01: subhead D7 to RfR02: subhead A7 representing a transfer of Criminal Justice Reserve funding for capital expenditure on additional prison places
- (lvix) transfer of £179,000 from RfR01: subhead G3 to RfR02: subheads A2 and C2 for matched funding projects
- (lx) transfer of £2,542,000 from RfR01: subhead G3 to subhead AP3 for match funding projects including: Adult Work for Young Offenders; Community Panel Members Volunteer Scheme; Mentoring Plus Project for Disaffected Young Offenders; and Mentoring Help for Children in Youth Justice System
- (lxi) reduction of £740,000 in RfR01: subhead D7 representing Invest to Save budget
- (lxii) transfer of £1,000,000 from RfR01: subhead A1 to subhead G1 representing a reallocation of provision within the Department.
- (lxiii) transfer of £1,000,000 from RfR01: subhead G2 to subhead A2 representing a reallocation of provision within the Department
- (lxiv) transfer of £16,400,000 from HMT Del Reserve to RfR01: subhead AP3 for juveniles
- (lxv) Reclassification of £600,000 OCE receipts to Admin receipts to cover the costs of staff seconded to FCO
- (lxvi) to reflect Machinery of Government changes by the transfer of £229,000 from RfR01: subhead Y1 to the Office of the Deputy Prime Minister in respect of provision for dilapidation costs for the Marchington Estate
- (lxvii) to reflect Machinery of Government changes by the transfer of £2,162,000 from RfR01: subhead L1 to the Office of the Deputy Prime Minister in respect of provision for Marchington stockpile
- (lxviii) transfer of £130,000 from RfR01: subhead G3 to the Office of the Deputy Prime Minister Special Grant Programme for grants to the Voluntary Sector
- (lxix) transfer of £300,000 from RfR01: subhead G3 to the Office of the Deputy Prime Ministers representing New Ventures Fund for Grants to the Voluntary Sector
- (lxx) transfers of £1,994,000 from RfR01: subhead G3 to the Department of Health for Matched Funding Project for grants to the Voluntary Sector
- (lxxi) transfer of £30,000 from RfR01: subhead G3 to the Department of Health for Housebound Carers Project
- (lxxii) transfer of £1,000,000 from RfR01: subhead G3 to the Department for Culture Media and Sport for Match Funding Projects.
- (lxxiii) transfer of £134,000 from RfR01: subhead G3 to the Department for Culture Media and Sport representing Public Library Volunteer Scheme for Match Funding Projects
- (lxxiv) transfer of £360,000 from RfR01: subhead G3 to the National Assembly for Wales for match funding Projects

- (lxxv) transfer of £23,000 from the Department of Education and Skills RfR01: Subhead G3 for grants to the Voluntary Sector (Black Federation & Enterprise Group and the Foyer Federation)
- (lxxvi) transfer of £58,490,000 from RfR01: subhead D2 to the Crown Prosecution Service representing a transfer of CJS Reserve
- (lxxvii) transfer of £34,931,000 from RfR01: subhead D2 to the Lord Chancellors Department representing a transfer of CJS Reserve
- (lxxiii) transfer of £15,000 from the Department of Health to RfR01: Subhead G3 for Mediation UK
- (lxxix) increase of £8,650,000 in RfR01: subhead D7 representing a drawing down of Capital Modernisation Fund Round 1 for Capital Justice System projects (as set out in the Chief Secretary's letter of 9 June 1999)
- (lxxx) transfer of £938,000 from RfR01: subhead D2 to the Department of Health for Community Project Work (comprising 428k for hostels; 100k for Medium secure units; 350k for prison in reach; 60k for training)
- (lxxxii) transfer of £1,000,000 from RfR01: Subhead G3 to the Department for Education and Skills for Community Champions Programme for matched funding Projects
- (lxxxii) Increase in RfR01: subhead B3 of £2,000,000 from the Office of the Deputy Prime Minister to provide the appropriate provision for crime reduction
- (lxxxiii) transfer £25,000 from the Office of the Deputy Prime Minister's special grant programme to RfR01: Subhead G3 for grants to the voluntary sector (including Black Training and Enterprise Group and Mediation UK)
- (lxxxiv) transfer of £2,041,000 from the Office of the Deputy Prime Minister to RfR01: subhead G3 for Grants to the Voluntary Sector
- (lxxxv) transfer of £34,000 from RfR02: subhead C1 to RfR01: subhead D1 for a contribution to the costs of the Criminal Justice IT programme
- (lxxxvi) transfer of £8,963,000 from RfR01: subhead D7 to RfR02: subhead A7 for construction costs associated with offenders with dangerous and severe personality disorder
- (lxxxvii) transfer of £782,000 from RfR01: Subhead B3 to the Department of Transport for the Provision of Vehicle Crime
- (lxxxviii) transfer £150,000 from Department of Education and Skills Mentor Point Initiative to RfR01: subhead G3 for matched funding to the National Mentoring Network
- (lxxxix) transfer of £1,736,000 from RfR01: subhead D2 to AP3 to provide additional resources for the Youth Justice Board
- (xc) to provide additional resources of £85,000 for RfR01: subhead D2 representing a take up of End of Year Flexibility for an Invest to Save (Round 2) project for Criminal Justice System Internet Technology
- (xci) to provide additional resources of £3,000,000 for RfR01: subhead D7 representing a take up of End of Year Flexibility for HMP Frankland DSPD Unit
- (xcii) transfer of £20,000 from the Lord Chancellor's Department to RfR01: subhead D3 representing contribution to membership of the Group of States Against Corruption (GRECO)
- (xciii) to provide additional resources of £175,000 for RfR01: subhead J1 and £6,151,000 to subhead J2 representing a take up of End of Year Flexibility into early multiple interventions funding and crime reduction

- (xciv) to provide additional resources of £173,000 for RfR01: subhead J2 representing a take up of Capital Modernisation fund relating to the 3rd tranche of evidence based Policy fund
- (xcv) to provide additional resources of £20,324,000 for RfR01: subhead H7 representing a take up of End
- (xcvi) to provide additional resources of £5,000,000 for RfR02: subhead A7 and a corresponding transfer from RfR02: subhead A7: to RfR01: subhead F7 representing a take up of End of Year flexibility by the National Probation Directorate for drugs hostel capital modernisation scheme
- (xcvii) to provide additional resources of £5,835,000 for RfR01: subhead AQ3 representing a take up of End of Year Flexibility by the National Probation Service
- (xviii) to provide additional resources of £15,000 for RfR01: subhead AQ3 representing a take up of End of year Flexibility by the National Probation Service in respect of the Merseyside Board
- (xcix) to provide additional resources of £84,000 for RfR01: subhead G3 representing a take up of End of Year Flexibility in Capital Modernisation Fund
- (c) to provide additional resources of £300,000 for RfR01: subhead AD3 representing a take up of End of Year Flexibility in Capital Modernisation Fund
- (ci) to provide additional resources of £311,000 for RfR01: subhead AT3 representing a take up of End of Year Flexibility in Invest to Save Round 3
- (cii) to provide additional resources of £135,000 for RfR01: subhead A1 representing a take up of End of Year Flexibility for invest to save projects
- (ciii) to provide additional resources of £1,155,000 for RfR01: subhead A2 representing a take up of End Year Flexibility for Invest to Save projects
- (civ) to provide additional resources of £36,632,000 for RfR01: subhead A7 representing a take up of End of Year Flexibility for CMF projects
- (cv) to provide additional resources of £37,961,000 for RfR01: subhead B3 representing a take up of End of Year Flexibility for CMF projects
- (cvi) to provide additional resources of £1,016,000 for RfR01: subhead AH3 representing End of Year Flexibility
- (cvii) to transfer £6,600,000 from the HMT Del Reserve to RfR01: Subhead D2 for juveniles
- (cviii) to provide additional resources of £2,230,000 for RfR01: subhead D2 representing a take up of End of Year Flexibility in unallocated CJS Reserve provision
- (cix) to provide additional resources of £5,603,000 for RfR01: subhead D7 representing a take up of End of Year Flexibility in CJS Reserve provision allocated to the Home Office Criminal Policy Group

- (cx) to provide additional resources of £287,000 for RfR01: subhead D2 representing a take up of End of Year Flexibility in CJS Reserve provision allocated to the Home Office Criminal Policy Group
- (cxi) to provide additional resources of £196,000 for RfR01: subhead AO3 representing a take up of End of Year Flexibility for an Invest to Save project to implement links between the Criminal Cases Review Commission and the Court of Appeal
- (cxii) to provide additional resources of £762,000 for RfR01 to AQ3 representing a take up of End of Year Flexibility by the National Probation Boards for CJS Reserve
- (cxiii) to provide additional resources of £894,000 for RfR01: subhead C1 £28,312,000 for subhead C3 representing a take up of End of Year Flexibility in respect of drugs programmes
- (cxiv) to provide additional resources of £12,000,000 for RfR01: subhead C7 for Counter Terrorism as announced by the Chancellor in 2002 Budget
- (cxv) to provide additional resources of £35,000,000 for RfR02: subhead A1 from the Treasury Reserve for operating costs associated with additional prison places
- (cxvi) to provide additional resources of £38,000,000 in RfR02: subhead A7 from the Capital Modernisation Fund for additional prison places
- (cxvii) to provide additional resources of £61,000 for RfR02: subhead A2 representing Criminal Justice System Reserve funding taken up under End Year Flexibility
- (cxviii) to provide additional resources of £25,800,000 in RfR02: subhead A7 from the Capital Modernisation Fund for additional prison places taken up under End Year Flexibility
- (cxix) to provide additional resources of £15,258,000 in RfR02: subhead A7 for additional prison places taken up under End Year Flexibility
- (cxx) to provide additional resources of £5,870,000 in RfR02: subhead A7 for construction costs associated with offenders with dangerous and severe personality disorder taken up under End Year Flexibility
- (cxxi) transfer within RfR02 of £380,000 from subhead C1 to subhead A1 and of £1,320,000 from subhead C2 to subhead A2 to make a correction in connection with an earlier transfer of the Boards of Visitors Unit to RfR01
- (cxxii) to provide additional resources of £1,216,000 in RfR02: subhead A1 for the Prison Service drug strategy taken up under End Year Flexibility
- (cxxiii) to provide £1,488,000 in RfR02: subhead A1 for the video links project from the Capital Modernisation Fund under End Year Flexibility
- (cxxiv) to provide additional resources of £2,583,000 in RfR02: subhead A1 and £311,000 in RfR02: subhead A2 and additional receipts of 2,894,000 in RfR02: subhead A5 for the PS Plus project to deliver employment support programmes part-financed from the European Social Fund
- (cxxv) to provide additional resources of £7,464,000 for subhead A7 in RfR02 and for additional receipts of £7,464,000 for subhead A8 and £5,352,000 for subhead E5 in RfR02 from the Youth Justice Board
- (cxxvi) increase in RfR01: subhead AX of £1,690,000,000 for the costs of pension transfers of Metropolitan Police Civil Staff under the provision of The Police Act 1997 and the Greater London Authority Act 1999

- (cxxvii) transfer of £27,000 from the Lord Chancellor's Department to RfR02: subhead C1 for costs associated with the Cenotaph Ceremony (civillian Services contingent)
 - (cxxviii) transfer of £6,000,000 from RfR01: subhead AA3 to RfR02: subhead A7 for capital expenditure on additional prison places
 - (cxxix) transfer of £3,905,000 from RfR01: subhead D2 to subheads A2 (£3,400,000) and N3 (£505,000) representing a transfer of CJS Reserve
 - (cxxx) reduction of £436,000 in RfR01 subhead G5 and a corresponding reduction in RfR01 subhead G3 representing reduced contributions from Other Government Departments for Family Support Grant.
 - (cxxxii) to provide additional resources of £10,000,000 for RfR01: Subhead C7 representing a take up of End year flexibility Capital Modernisation Fund.
 - (cxxxiii) transfer of £197,000 from RfR02: subhead E1 to RfR01: subhead T1 for National Probation Directorate Drugs Hostels depreciation and cost of capital budget
 - (cxxxiii) transfer of £8,650,000 from RfR01: subhead D7 to Lord Chancellor's Department representing Capital Modernisation fund Round 1 for Capital Justice System projects (as set out in the Chief Secretary's letter of 9 June 1999)
 - (cxxxiv) to provide additional resources of £1,162,000 to RfR01: subhead AU3 representing a take up of End year flexibility
 - (cxxxv) to provide additional resources of £400,000 in RfR02: subhead G1 in respect of an increase in existing provisions for early retirement programmes
 - (cxxxvi) to provide additional receipts for RfR02: subhead A5 from the Department for Education and Skills for prisoner's education
2. As a result of all changes there is an increase in net cash requirement of £1,945,622,000
 3. Symbols are explained in the Introduction to this booklet

Part I

| | |
|--|----------------------|
| | £ |
| RfR1: Building a safe, just and tolerant society | 1,722,553,000 |
| RfR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release | 70,152,000 |
| Total net resource requirement | 1,792,705,000 |
| Additional net cash requirement | 1,945,622,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Home Office on:

RfR1: Building a safe, just and tolerant society:

Police; the Forensic Science Service; registration of forensic practitioners; emergency planning; fire services; criminal policy and programmes including offender programmes and the National Probation Service, the prevention and treatment of drug abuse; crime reduction and prevention; provision of services relating to the Crime and Disorder Act and the Private Security Industry Act; criminal justice planning system and other services related to crime; support to the voluntary sector; family policy issues; research; criminal injuries compensation; organised and international crime; control of immigration and nationality; support for asylum seekers; refunds of fines to carriers of inadequately documented passengers; assisted return programmes including interception projects; issue of passports; work permits; community and constitutional services including the Queen's Golden Jubilee Event and the Experience Corps; firearms compensation and related matters; claims by local authorities for the Kosovan evacuees special grant; administration and associated non-cash items.

RfR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release:

Prisons (including central administration and other costs arising from the detention of prisoners); immigration removal centres; placements in secure accommodation under Sections 90 or 91 of the Powers of Criminal Courts (Sentencing) Act 2000; Prison Service colleges; the Parole Board; the storage and maintenance of equipment; transport management; grants to "Prisoners Abroad"; Welfare to Work schemes; funding for joint initiatives within the criminal justice system; and associated non-cash items.

The Home Office will account for this Estimate.

Pending passage of the Consolidated fund act, urgent cash expenditure of £1,685,000 (in respect of £ resources) on the service provided for under subhead H2 of RfR1 will be met by a repayable advance from the Contingencies Fund.

Part II Changes proposed

| | | £'000 | | | | |
|---|--|------------------|------------------|------------|------------------|------------------|
| | | Present Net | Change in | Change in | Change in | New Net |
| Resources | | Provision | Gross | A-in-A | Net | Provision |
| | | Provision | Provision | A-in-A | Provision | Provision |
| RfR1: Building a safe, just and tolerant society | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| Central Government Spending | | | | | | |
| RfR 1-A | Police | 467,011 | -74,431 | - | -74,431 | 392,580 |
| RfR 1-B | Crime reduction | 172,280 | 24,208 | - | 24,208 | 196,488 |
| RfR 1-C | Organised crime, drugs and international | 44,971 | 87,684 | - | 87,684 | 132,655 |
| RfR 1-D | Criminal policy and programmes | 227,047 | -123,232 | - | -123,232 | 103,815 |
| RfR 1-E | Criminal records bureau | 4,000 | - | - | - | 4,000 |
| RfR 1-F | Probation HQ | 89,001 | -8,238 | - | -8,238 | 80,763 |
| RfR 1-G | Community policy | 62,848 | -9,168 | 436 | -9,604 | 53,244 |
| RfR 1-H | Immigration and nationality | 955,565 | -2,116 | - | -2,116 | 953,449 |
| RfR 1-I | Passport service | - | -9,300 | - | - | -9,300 |
| RfR 1-J | Research and statistics | 18,534 | 15,307 | - | 15,307 | 33,841 |
| RfR 1-K | Central services | 134,646 | 11,707 | - | 11,707 | 146,353 |
| RfR 1-L | Emergency Planning | 1,754 | -2,162 | - | -2,162 | -408 |
| RfR 1-- | Firearms compensation | - | - | - | - | - |
| RfR 1-- | Electoral commission-start up costs | - | - | - | - | - |
| Support for local authorities | | | | | | |
| RfR 1-M | Police grants | 4,005,480 | - | - | - | 4,005,480 |
| RfR 1-N | Police current grants outside AEF | 73,514 | 54,505 | - | 54,505 | 128,019 |
| RfR 1-- | Probation current grant | - | - | - | - | - |
| RfR 1-- | Kosovan evacuees special grant | - | - | - | - | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | |
| Central governments spending | | | | | | |
| RfR 1-O | Police service superannuation | 831 | - | - | - | 831 |
| RfR 1-- | Metropolitan police civil staff pensions | - | - | - | - | - |
| Non-cash items | | | | | | |
| RfR 1-P | Police | 7,790 | - | - | - | 7,790 |
| RfR 1-Q | Organised crime, drugs and international | 69 | - | - | - | 69 |
| RfR 1-R | Criminal policy and programmes | 25,337 | - | - | - | 25,337 |
| RfR 1-S | Criminal records bureau | 450 | - | - | - | 450 |
| RfR 1-T | Probation HQ | 50 | 197 | - | 197 | 247 |
| RfR 1-U | Community Policy | 231 | - | - | - | 231 |
| RfR 1-V | Immigration and nationality | 30,600 | - | - | - | 30,600 |
| RfR 1-W | Passport service | 2,945 | - | - | - | 2,945 |
| RfR 1-X | Research and statistics | 207 | - | - | - | 207 |
| RfR 1-Y | Central services | -883 | -229 | - | -229 | -1,112 |
| Other spending outside Departmental Expenditure Limits | | | | | | |
| RfR 1-Z | Police capital grants | 193,114 | 22,000 | - | 22,000 | 215,114 |
| RfR 1-AA | Crime reduction capital grants | 63,000 | -6,000 | - | -6,000 | 57,000 |
| RfR 1-AB | Organised and international crime capital grants | 7,190 | - | - | - | 7,190 |
| RfR 1-AC | Criminal policy and programmes capital grants | 21,700 | -21,700 | - | -21,700 | - |
| RfR 1-AD | Community policy capital grants | 10,000 | 300 | - | 300 | 10,300 |
| RfR 1-AE | Police loan charges grants | 12,553 | - | - | - | 12,553 |
| RfR 1-AF | Probation loan charges grants | 2,893 | - | - | - | 2,893 |
| RfR 1-AG | Fine refunds to carriers | 1,200 | - | - | - | 1,200 |
| RfR 1-AH | Police information technology organisation | 25,038 | 1,016 | - | 1,016 | 26,054 |
| RfR 1-AI | Police complaints authority | 3,570 | - | - | - | 3,570 |
| RfR 1-AJ | Central police training and development agency | 58,927 | - | - | - | 58,927 |
| RfR 1-AK | National criminal intelligence service | 68,500 | 3,674 | - | 3,674 | 72,174 |
| RfR 1-AL | National crime squad | 134,050 | 6,338 | - | 6,338 | 140,388 |
| RfR 1-AM | Criminal injuries compensation-admin | 29,820 | - | - | - | 29,820 |
| RfR 1-AN | Criminal injuries compensation | 183,264 | - | - | - | 183,264 |
| RfR 1-AO | Criminal cases review commission | 7,473 | 196 | - | 196 | 7,669 |
| RfR 1-AP | Youth justice board | 284,417 | 43,638 | - | 43,638 | 328,055 |
| RfR 1-AQ | National probation service (local area boards) | 571,882 | 7,993 | - | 7,993 | 579,875 |
| RfR 1-AR | Office of the immigration services commissioner | 3,500 | - | - | - | 3,500 |
| RfR 1-AS | Community development foundation | 937 | 28 | - | 28 | 965 |
| RfR 1-AT | Commission for racial equality | 20,053 | 311 | - | 311 | 20,364 |
| RfR 1-AU | Forensic science service | 400 | 1,162 | - | 1,162 | 1,562 |
| RfR 1-AV | Office of the information commissioner | 1 | - | - | - | 1 |
| RfR 1-- | Probation Capital grants | - | - | - | - | - |
| RfR 1-- | Gaming Board | - | - | - | - | - |
| Spending in Annually Managed Expenditure | | | | | | |
| RfR 1-AW | European refugee fund | - | 1 | - | 1 | 1 |
| Support for local authorities | | | | | | |
| RfR 1-AX | Metropolitan Police civil staff pensions | - | 1,690,000 | - | 1,690,000 | 1,690,000 |
| Total RfR1 | | 8,018,460 | 1,722,989 | 436 | 1,722,553 | 9,741,885 |

RfR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release**Spending in Departmental Expenditure Limits (DEL)****Central Government Spending**

| | | | | | | |
|---------|--|-----------|--------|-------|--------|-----------|
| RfR 2-A | Prison operations (public sector) | 1,402,091 | 69,469 | 4,819 | 64,650 | 1,466,741 |
| RfR 2-B | Prison operations (contracted out) | 276,767 | 713 | – | 713 | 277,480 |
| RfR 2-C | Prison service HQ and central services | 114,296 | 9,938 | – | 9,938 | 124,234 |

Spending in Annually Managed Expenditure

| | | | | | | |
|---------|--------------------------------|------|---|---|---|------|
| RfR 2-D | Prison service HQ (YJB income) | -275 | – | – | – | -275 |
|---------|--------------------------------|------|---|---|---|------|

Non-cash items

| | | | | | | |
|---------|--|---------|------|-------|--------|---------|
| RfR 2-E | Prison operations (public sector) | 391,715 | -197 | 5,352 | -5,549 | 386,166 |
| RfR 2-F | Prison operations (contracted out) | 25,100 | – | – | – | 25,100 |
| RfR 2-G | Prison service HQ and central services | 28,253 | 400 | – | 400 | 28,653 |

Other Spending outside Departmental Expenditure Limits

| | | | | | | |
|---------|--|--------|---|---|---|--------|
| RfR 2-H | Estate maintenance and profit/loss associated with asset disposals | 87,046 | – | – | – | 87,046 |
| RfR 2-I | Parole board | 3,583 | – | – | – | 3,583 |

| | | | | | | |
|-------------------|--|------------------|---------------|---------------|---------------|------------------|
| Total RfR2 | | 2,328,576 | 80,323 | 10,171 | 70,152 | 2,398,728 |
|-------------------|--|------------------|---------------|---------------|---------------|------------------|

| | | | | | | |
|------------------------------|--|--|------------------|--------------|------------------|--|
| Total changes to RfRs | | | 1,803,312 | 9,735 | 1,722,553 | |
|------------------------------|--|--|------------------|--------------|------------------|--|

| | Present Provision | Change in Provision | £000 New Provision |
|-----------------------------|--------------------------|----------------------------|-------------------------------|
| Capital and cash | | | |
| Total Capital expenditure | 423,318 | 161,857 | 585,175 |
| Non-operating AinA | 28,083 | 7,464 | 35,547 |
| Net cash requirement | 10,227,494 | 1,945,622 | 12,173,116 |

Part II Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 |
|---|-----------|---------------|-----------|-------------|---------|-----------|---------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| Request for Resource 1: | | | | | | | | | |
| Building a safe, just and tolerant society | 2,764,457 | 852,950 | 6,396,042 | 10,013,449 | 272,435 | 9,741,885 | 296,165 | 2,158 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| Central Government Spending | | | | | | | | | |
| A Police | 72,866 | 196,258 | 135,887 | 405,011 | 12,431 | 392,580 | 175,710 | 205 | |
| B Crime reduction | -1,861 | - | 194,627 | 196,488 | - | 196,488 | - | - | |
| C Organised crime, drugs and international | 45,905 | 11,928 | 75,376 | 133,209 | 554 | 132,655 | 22,058 | 5 | |
| D Criminal policy and programmes | 27,867 | 72,972 | 41,161 | 142,000 | 38,184 | 103,816 | 14,256 | - | |
| E Criminal records bureau | 70,665 | - | - | 70,665 | 66,665 | 4,000 | 800 | - | |
| F Probation HQ | 8,600 | 68,940 | 3,223 | 80,763 | - | 80,763 | 5,000 | - | |
| G Community policy | 7,413 | 5,220 | 44,827 | 57,460 | 4,126 | 53,244 | 403 | - | |
| H Immigration and nationality | 507,771 | 456,428 | 4,319 | 968,518 | 15,069 | 953,449 | 62,253 | - | |
| I Passport service | 121,309 | 700 | - | 122,009 | 131,309 | -9,300 | 10,070 | - | |
| J Research and statistics | 12,683 | 21,255 | 35 | 33,973 | 132 | 33,841 | 141 | - | |
| K Central services | 131,138 | 18,071 | - | 149,209 | 2,856 | 146,353 | 835 | - | |
| L Emergency Planning | -386 | -22 | - | -408 | - | -408 | - | - | |
| - Firearms compensation | - | - | - | - | - | - | - | - | |
| - Electoral commission – start up costs | - | - | - | - | - | - | - | - | |
| Support for local authorities | | | | | | | | | |
| M Police: grants | - | - | 4,005,480 | 4,005,480 | - | 4,005,480 | - | - | |
| N Police current grants outside AEF | - | - | 128,019 | 128,019 | - | 128,019 | - | - | |
| - Probation current grant | - | - | - | - | - | - | - | - | |
| - Kosovan evacuees special grant | - | - | - | - | - | - | - | - | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| Central governments spending | | | | | | | | | |
| O Police service superannuation | - | - | 1,850 | 1,850 | 1,019 | 831 | - | - | |
| <i>Non-cash items</i> | | | | | | | | | |
| P Police | 7,790 | - | - | 7,790 | - | 7,790 | - | - | |
| Q Organised crime, drugs and international | 69 | - | - | 69 | - | 69 | - | - | |
| R Criminal policy and programmes | 25,337 | - | - | 25,337 | - | 25,337 | - | - | |
| S Criminal records bureau | 450 | - | - | 450 | - | 450 | - | - | |
| T Probation HQ | 247 | - | - | 247 | - | 247 | - | - | |
| U Community Policy | 231 | - | - | 231 | - | 231 | - | - | |
| V Immigration and nationality | 30,600 | - | - | 30,600 | - | 30,600 | - | - | |
| W Passport service | 2,945 | - | - | 2,945 | - | 2,945 | - | - | |
| X Research and statistics | 207 | - | - | 207 | - | 207 | - | - | |
| Y Central services | -1,112 | - | - | -1,112 | - | -1,112 | - | - | |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| Z Police capital grants | - | - | 215,114 | 215,114 | - | 215,114 | - | - | |
| AA Crime reduction capital grants | - | - | 57,000 | 57,000 | - | 57,000 | - | - | |
| AB Organised and international crime capital grants | - | - | 7,190 | 7,190 | - | 7,190 | - | - | |
| AC Criminal policy and programmes capital grants | - | - | - | - | - | - | - | - | |
| AD Community policy capital grants | - | - | 10,300 | 10,300 | - | 10,300 | - | - | |
| AE Police loan charges grants | - | - | 12,553 | 12,553 | - | 12,553 | - | - | |
| AF Probation loan charges grants | - | - | 2,893 | 2,893 | - | 2,893 | - | - | |
| AG Fine refunds to carriers organisation | - | - | 1,200 | 1,200 | - | 1,200 | - | - | |
| AH Police Information technology | - | - | 26,054 | 26,054 | - | 26,054 | - | - | |
| AI Police complaints authority | - | - | 3,570 | 3,570 | - | 3,570 | - | - | |
| AJ Central police training and development agency | - | - | 58,927 | 58,927 | - | 58,927 | - | - | |
| AK National criminal intelligence service | - | - | 72,174 | 72,174 | - | 72,174 | - | - | |
| AL National crime squad | - | - | 140,388 | 140,388 | - | 140,388 | - | - | |
| AM Criminal injuries compensation-admin | - | - | 29,820 | 29,820 | - | 29,820 | - | - | |
| AN Criminal injuries compensation | - | - | 183,264 | 183,264 | - | 183,264 | - | - | |
| AO Criminal cases review commission | - | - | 7,669 | 7,669 | - | 7,669 | - | - | |
| AP Youth justice board (local area boards) | - | - | 328,055 | 328,055 | - | 328,055 | - | - | |
| AP Youth justice board | - | - | 579,875 | 579,875 | - | 579,875 | - | - | |
| AQ Nation probation service | - | - | 328,055 | 328,055 | - | 328,055 | - | - | |
| AR Office of the immigration services commissioner | - | - | 3,500 | 3,500 | - | 3,500 | - | - | |
| AS Community development foundation | - | - | 965 | 965 | - | 965 | - | - | |
| AT Commission for racial equality | - | - | 20,364 | 20,364 | - | 20,364 | - | - | |

| | | | | | | | | |
|---|------------------|------------------|------------------|-------------------|----------------|-------------------|----------------|---------------|
| AU Forensic science service | – | – | 1,562 | 1,562 | – | 1,562 | 1,639 | 1,948 |
| AV Office of the information commissioner | – | – | 1 | 1 | – | 1 | – | – |
| – Probation Capital grants | – | – | – | – | – | – | – | – |
| – Gaming Board | – | – | – | – | – | – | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| AW European refugee fund | 1 | – | – | 1 | – | 1 | – | – |
| Support for local authorities | | | | | | | | |
| AX Metropolitan Police civil staff pensions | 1,690,000 | – | – | 1,690,000 | – | 1,690,000 | – | – |
| Request for Resource 2: | | | | | | | | |
| Protecting the public by holding prisoners in decent conditions and reducing re-offending after release | 2,382,177 | 184,057 | 48,087 | 2,614,321 | 215,593 | 2,398,728 | 292,010 | 33,389 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government Spending | | | | | | | | |
| A Prison operations (public sector) | 1,521,729 | 93,504 | 29,025 | 1,644,258 | 177,517 | 1,466,741 | 291,101 | 33,314 |
| B Prison operations (contracted out) | 277,480 | – | – | 277,480 | – | 277,480 | – | – |
| C Prison service HQ and central services | 134,316 | 3,507 | 3,479 | 141,302 | 17,068 | 124,234 | 909 | 75 |
| Spending in Annually Managed Expenditure | | | | | | | | |
| D Prison service HQ (YJB income) | – | – | – | – | 275 | –275 | – | – |
| <i>Non-cash items</i> | | | | | | | | |
| E Prison operations (public sector) | 394,899 | – | 12,000 | 406,899 | 20,733 | 386,166 | – | – |
| F Prison operations (contracted out) | 25,100 | – | – | 25,100 | – | 25,100 | – | – |
| G Prison service HQ and central services | 28,653 | – | – | 28,653 | – | 28,653 | – | – |
| Other Spending outside Departmental Expenditure Limits | | | | | | | | |
| H Estate maintenance and profit/loss associated with asset disposals | – | 87,046 | – | 87,046 | – | 87,046 | – | – |
| I Parole board | – | – | 3,583 | 3,583 | – | 3,583 | – | – |
| Total | 5,146,634 | 1,037,007 | 6,444,129 | 12,027,770 | 488,028 | 12,139,741 | 588,175 | 35,547 |

Part II: Resource to cash reconciliation

| | Present | Increase/ Decrease | £'000 Revised |
|---|-------------------|-----------------------|-------------------|
| Net total Resources | 10,347,036 | 1,792,705 | 12,139,741 |
| Voted capital items | | | |
| Capital expenditure | 423,318 | 161,857 | 585,175 |
| <i>less: non-operating A in A</i> | 28,083 | 7,464 | 35,547 |
| Total net voted capital | 395,235 | 154,393 | 549,628 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -321,786 | 197 | -321,589 |
| Depreciation | -177,003 | - | -177,003 |
| New provisions and adjustments to previous provisions | -13,000 | 300 | -12,700 |
| Other non-cash items | -260 | - | -260 |
| Increase(+)/decrease (-) in stock | -1,962 | - | -1,962 |
| Increase(+)/decrease (-) in debtors | 2,619 | -2,547 | 72 |
| Increase(-)/decrease (+) in creditors | -15,285 | 574 | -14,711 |
| Use of provisions | 11,900 | - | 11,900 |
| Total accruals to cash adjustments | -514,777 | -1,476 | -516,253 |
| Excess cash to be CFERd | - | - | - |
| Net cash requirement | 10,227,494 | 1,945,622 | 12,173,116 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | | £'000 |
|---------------------------------------|-----------|-------------------|
| | | 2002-03 |
| | | Provision |
| <hr/> | | |
| Net Administration Costs | | |
| RfR1 | 2,555,002 | |
| RfR2 | 2,191,533 | |
| Total Net Administration Costs | | 4,746,535 |
| | | |
| Net Programme Costs | | |
| RfR1 | | 7,154,539 |
| RfR2 | 207,195 | |
| Total Net Programme costs | | 7,361,734 |
| TOTAL NET OPERATING COST | | 12,108,269 |
| of which: | | |
| NET RESOURCE OUTTURN | | 12,139,741 |
| CFERs | | -13,517 |
| Non-voted expenditure | | - |
| RESOURCE BUDGET OUTTURN | | 11,706,476 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|--|-------------------|
| | 2002-03 |
| | provision |
| Net Resource Outturn (Estimates) | 12,139,741 |
| <i>Adjustment for:</i> | |
| Consolidated Fund Extra Receipts (CFERs) in the OCS | -13,517 |
| Net Operating Costs (Accounts) | 12,126,225 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts in the (CFERs) | 13,517 |
| Full resource consumption of non-departmental public bodies | 7,432 |
| Full resource consumption of public corporations | -5,000 |
| Capital Grants to the private sector and local authorities | -295,004 |
| Gain/losses from sale of capital assets | - |
| Full resource consumption probation service | -678,189 |
| Unallocated resource provision | 11,460 |
| Other adjustments- full resource consumption probation service | |
| Resource Budget Outturn (Budget) | 11,732,809 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 9,489,531 |
| Annually Managed Expenditure (AME) | 2,243,278 |

Reconciliation of Capital expenditure between Estimates and Budgets

| | £'000 |
|--|------------------|
| | 2002-03 |
| | provision |
| Net Voted Capital Outturn (Estimates) | 564,078 |
| Other Consolidated fund extra receipts | - |
| Full capital expenditure by non-department public bodies | 83,719 |
| Full capital expenditure by public corporations | 10,671 |
| Capital grants to the private sector, LA and PCs | 289,604 |
| Gains/Losses from sale of capital assets | - |
| Local authority credit approvals | 92,316 |
| Levy funded bodies | - |
| Unallocated capital provision | 1,900 |
| Provision voted for earlier years | - |
| Other Adjustment (if any specify) | 87,046 |
| Capital Budget Outturn | 1,129,344 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 1,129,344 |
| Annually Managed Expenditure (AME) | - |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Home Office, John Gieve, as Principal Accounting Officer for the department with overall responsibility for preparing the department's Estimate.

The Treasury has also appointed an Additional Accounting Officer to be accountable for that part of the Department's accounts relating to a specified request for resources and the associated assets, liabilities and cash flows. This appointment does not detract from the Head of Department's overall responsibility as Accounting Officer for the department's Estimate and overall net cash requirement.

The allocation of Accounting Officer responsibilities in the Home Office is as follows:

Request for Resources 1: John Gieve, Principal Accounting Officer and Permanent Secretary of the Home Office

Request for Resources 2: Martin Narey, Additional Accounting Officer, Second Permanent Secretary and Director General of the Prison Service

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in Government Accounting. Under the terms of the Accounting Officers' Memorandum the relationship between the Home Office's Principal and Additional Accounting Officers, together with their respective responsibilities, is set out in writing.

Analysis of Appropriations in Aid

| | £'000 | |
|---|---------------------|-----------------------------|
| | Provision 2002-03 | |
| | Operating A in A | Non- operating A in A |
| RfR1: Building a safe, just and tolerant society | | |
| Income from fees and charges | 224,838 | — |
| Income from licences | 1,094 | — |
| Contributions from Scotland & Northern Ireland Office | 28,549 | — |
| EU Receipts | 224 | — |
| Superannuation transfer values | 1,019 | — |
| Income from sale of land and buildings | — | 2,158 |
| Income from other sales | 10,085 | — |
| Receipts from Other Government Departments | 5,754 | — |
| Total RfR1 | 271,563* | 2,158** |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from: sale and hire of vehicles, plant, machinery, land and buildings, receipts for rent, accommodation charges, sale of equipment and scrap, receipts for Police service training courses, contributions from Scottish Office Home and Health Department and Northern Ireland Office towards the costs of certain services, receipts from Security Services, receipts from police training repayment services, police examinations board, Police National Computer Organisation repayment services, loan of specialised equipment, repayment of support for Police Dependents' Trust, National Identification Bureau-subject access fees, HM Inspectorate of Constabulary inspection. Superintendents' Association contribution to police negotiating machinery, research repayment services and sub-bureaux contributions to Interpol subscription.

Repayment by the Forensic Science Service of principal on the deemed and long term loans, recoveries of VAT, recovery of salaries of staff on loan or seconded to outside bodies, receipts for repayment services, payments for information and publications, receipts from the Treasury Solicitor's Department, receipts from European Union, contributions toward the grants made (at 13%) from the Scottish Office Home Department to Criminal Injuries Compensation Authority and Criminal Injuries Compensation Appeals Panel, fees for licence for production, supply, possession, import and export of controlled drugs, contributions by employees toward firefighters pensions, police services superannuation.

Charges for provision of additional (or special) immigration services, private telephone calls, vending machines, receipts in connection with the Channel Tunnel, receipts 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, receipts from telex, telephone, postal and bank charge recoveries, recoveries related to passport search fees, fees payable to the Criminal Records Bureau under part V of the Police Act 1997, receipts under the Misuse of Drugs Act 1971, fees payable to the Commissioner for the Registration of Immigration Advisers, tax rebates, European Fast Stream receipts from the Cabinet Office, subsidies under the Welfare to Work programme, receipts of confiscated assets. Contributions towards grant programmes. Payments from the Cabinet Office and the Dept for Education and Skills for Machinery of Government Changes.

** 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.

| | £'000 | |
|---|---------------------|-----------------------------|
| | Provision 2002-03 | |
| | Operating A in A | Non- operating A in A |
| RfR2: Protecting the public by holding prisoners in decent conditions and reducing re-offending after release. | | |
| Income from sales of land, buildings and other assets | 3,500 | 25,925 |
| Income from other sales | 12,577 | — |
| Recovery of costs and other income | 199,516 | 7,464 |
| Total RfR2 | 215,593 | 33,389 |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from: rent and other accommodation receipts, income from private telephone calls, rental charges for television sets, share of gross profits from prison shops and from services purchased by staff etc, income from overseas governments, from the activities of prison industries and farms, from the supply of inmate labour and from the supply of other goods and services, agricultural subsidies, assistance from European Social Fund, recoveries of salaries of staff on loan or seconded to outside bodies, Welfare to Work subsidies, income from training services, from advertisements in Prison Service News, from the sale of information or publications, from the sale of waste, from profit on the sale of capital assets, from the hire of land, buildings, plant, equipment, vehicles, from compensation and insurance, payments from the Youth Justice Board, payments from the Department for Education and Skills, contributions towards criminal justice system initiatives.

** Amount that may be applied as non-operating appropriations in aid arising from the recovery of income from the sale of land, buildings, plant, equipment, vehicles and other capital assets. Payment from the youth Justice Board, payments from the Department for Education and Skills.

| | | |
|---------------------|----------------|---------------|
| Total A in A | 487,156 | 35,547 |
|---------------------|----------------|---------------|

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Secretary of State for the Home Department to the House of Commons, the Home Office Resource Departmental Expenditure Limit will change as follows:

| Resources | | Capital | |
|------------------|---------------|-----------|---------------|
| Change | 98,856,000 | Change | 164,857,000 |
| New DEL | 9,848,639,000 | New DEL | 1,119,846,000 |
| <i>of which:</i> | | | |
| Voted | 8,139,361,000 | Voted | 942,451,000 |
| Non voted | 1,345,278,000 | Non voted | 177,395,000 |

The Administration Cost Limit has been increased by £66,928,000 from £2,681,618,000 to £2,748,546,000.

Expenditure resting on the sole authority of the Appropriation Act

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

| Sub head | Service | £'000 |
|---------------|---|--------|
| RfR1 A3 | Grant to the Independent Custody Visiting Association | 250 |
| A3 | Grant to the association for Bereavement Counselling of Road Accident Victims ■ | 28 |
| A3 | Grant to the Council for the Registration of Forensic Practitioners ■ | 300 |
| A3 | Police Superintendants Association ■ | 380 |
| A3 | Police Federation ■ | 135 |
| A3 | National Black Police Association (NBPA) ■ | 80 |
| A3 | Association of Chief Police Officers (ACPO) ■ | 470 |
| A3 | British Association of Women Police (BAWP) ■ | 35 |
| A3 | Police Negotiating Board (PNB) – Independent Secretariat ■ | 52 |
| A3 | Police Negotiating Board – Official Side Secretariat ■ | 242 |
| A3 | Police Negotiating Board – Staff side ■ | 126 |
| A3 | Grants to Security Industry Council ■ | 35 |
| A3 | Occupational Health Grants ■ | 4,000 |
| C3 | Funding for financial investigators to increase receipts from the proceeds of crime | 2,600 |
| D3 | Grants to the National Office of Victim Support ■ | 2,800 |
| D3 | Local victim's support schemes ■ | 14,432 |
| D3 | Grants to voluntary organisations in support of experimental projects aimed at diverting the mentally disturbed from the criminal justice system ■ | 154 |
| RfR1 G3 & AD2 | Experience Corps ■ | 7,200 |
| G3 & AD2 | Grants to certain national organisations working in the voluntary sector to promote voluntary activity or community development and to support innovatory projects etc ■ | 27,909 |
| G3 | National Council for Voluntary Organisations ■ | 831 |
| G3 | Grants to Women's Royal Voluntary Services ■ | 4,223 |
| G3 | Grants to the National Family and Parenting Institute ■ | 668 |
| G3 | Family Grants programme ■ | 5,167 |
| G3 | Philip Lawrence Awards Scheme ■ | 100 |
| G3 | Grants to voluntary organisations and other bodies for the reception and settlement of refugees, and to assist organisations or projects working to reduce racial disadvantage, racism etc. ■ | 8,636 |
| H3 | Grants to Bosnia and Herzegovina State Border for Detector Dogs | 36 |
| J2 | Development costs of projects in the areas of crime reduction and the Criminal Justice System ■ | 8,505 |
| J3 | Challenge Fund and International Centre for Prevention of Crime Grants ■ | 35 |
| N3 | Special grants for policing costs ■ | 73,514 |

Cash which may be retained to offset expenditure

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income which has been or will be appropriated in aid for:

| | £000 |
|--------------|----------------|
| RFR1 | 185,594 |
| RFR2 | 202,928 |
| TOTAL | <u>388,522</u> |

Grants in Aid above £1million

| RFR1 | £000 |
|--|---------|
| Criminal Injuries Compensation | 183,264 |
| Criminal Cases Review Commission♥ | 7,669 |
| Youth Justice Board♥ | 315,239 |
| Police Complaints Authority♥ | 3,570 |
| Police Information Technology Organisation♥ | 26,054 |
| National Crime Squad | 6,338 |
| National Criminal Intelligence Service | 3,674 |
| Probation Service grant to local area boards | 579,875 |
| Central police training and development agency (CENTREX) | 58,927 |
| Grant to Women's Royal Voluntary Services | 4,223 |

Lord Chancellor's Department

Introduction

This Supplementary Estimate is required for the following purposes:

- i) to provide for the take up of £1,000,000 resources being an award from the Policy Innovation Fund re privacy and data sharing. (Subhead A1)
- ii) to provide for the take up of £1,100,000 resources being an award from Round 4 of the Capital Modernisation Fund for H M Land Registry. (Subhead Q7)
- iii) a transfer of £25,000 resources from Subhead A1 to Subhead B1 to reflect the transfer of Senior Civil Service work.
- iv) a transfer of £100,000 resources from the Home Office in support of ACU matched funding for Law Works. (Subhead A2)
- v) an increase of £47,000 resources to both Subheads A1 and AZ regarding receipts from the Twinning Light project in Estonia.
- vi) a transfer of £1,171,000 resources from Subhead P3 to Subhead H3, utilising the 2½% capital to resource allowance.
- vii) a transfer of £484,000 resources from Subhead C1 to B1 and £2,100,000 resources from Subhead B7 to C7 relating to Court Funds Office work.
- viii) a transfer of £12,407,000 resources from Subhead A1 to Subhead B1, reflecting the movement of Magistrates Courts administration.
- ix) a transfer of £21,000 resources (Subhead A2) from the Office of the Deputy Prime Minister in support of machinery of government changes, offset by a receipt taken in at Subhead Q.
- x) a transfer of £8,650,000 resources from the Home Office in relation to the award in Round 1 of the Capital Modernisation Fund regarding CJS IT infrastructure. (Subhead B7)
- xi) to provide for the take up of £277,000 resources being an award from Round 4 of the Invest to Save Budget for the Legal Services Commission. (Subhead M3)
- xii) a transfer of £45,000 resources to Subhead B1 and £65,000 resources to Subhead B2 from the Home Office in relation to the Immigration Appeals Tribunal.
- xiii) a transfer of £20,000 resources to the Home Office relating to GRECO. (Subhead A2)
- xiv) a transfer of £4,322,000 resources from the Office of Government Commerce regarding the refurbishment of Steel House. (Subhead A2)
- xv) a transfer of £4,322,000 resources from Subhead A2 to Subhead H3 and from Subhead P3 to Subhead A7 to reflect re-prioritisation of budgets relating to Steel House and LIBRA.
- xvi) a transfer of £1,500,000 resources from Subhead A2 to Subhead N3 to reflect additional funding to CAFCASS.
- xvii) to take up ISB end year flexibility of £42,000 resources relating to the Round 3 award for Just Ask! Consultancy. (Subhead A2)
- xviii) an increase of £3,553,000 resources to both Subheads B1 and BZ being an increase to NILO charges.

- xix) an increase of £1,300,000 resources to both Subheads O3 and AZ being an increase to Data Protection fees.
 - xx) a transfer of £26,000 resources from the Office for National Statistics in relation to neighbourhood statistics. (Subhead M3)
 - xxi) to take up ISB end year flexibility of £226,000 resources to Subhead B1 and £65,000 resources to Subhead B7 relating to the award for IBIS.
 - xxii) to take up CMF end year flexibility of £3,163,000 resources relating to the award for IBIS. (Subhead B7)
 - xxiii) to take up CMF end year flexibility of £152,000 resources relating to the award for video recording of police interviews. (Subhead B7)
 - xxiv) to take up CMF end year flexibility of £400,000 resources relating to the award for e-links with courts. (Subhead B7)
 - xxv) to take up CMF end year flexibility of £500,000 resources relating to the award for e-diaries for civil courts. (Subhead B7)
 - xxvi) a transfer of £29,000 resources from Subhead B1 to Subhead A1 and £7,000 resources from Subhead B2 to Subhead A2, reflecting the transfer of the Immigration Appellate Authority.
 - xxvii) a transfer of £88,000 resources from Subhead C1 to Subhead A1, in relation to the transfer of services.
 - xxviii) to take up end year flexibility of £3,820,000 resources relating to the Criminal Justice System (CJS) Reserve. (Subhead B1)
 - xxix) a transfer of £500,000 resources to Subhead A1, £13,724,000 resources to Subhead B1, £207,000 resources to Subhead B2, £8,000,000 resources to Subhead B7, £10,900,000 resources to Subhead H3 and £9,600,000 resources to Subhead D2 from the Home Office in relation to the Criminal Justice System (CJS) Reserve.
 - xxx) an increase of £282,000 resources to both Subheads A1 and AZ being an increase to Silk fees.
 - xxxi) a transfer of £2,800,000 resources from Subhead O3 to Subhead A2, in relation to the reorganisation of administrative functions.
 - xxxii) an increase of £3,662,000 resources to I1, an increase of £5,184,000 resources to J1 and a reduction of £161,000 resources to K1 being increases in the AME consequences of DEL expenditure.
- 2 As a result of all changes there is an increase in Net Cash Requirement of £72,260,000.
- 3 Symbols are explained in the Introduction to this booklet.

Part I

| | |
|---|-------------------------|
| RfR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all. | £ 49,197,000 |
|---|-------------------------|

| | |
|--------------------------------|------------|
| Total net resource requirement | 49,197,000 |
|--------------------------------|------------|

| | |
|--|-------------------|
| Additional net cash requirement | 72,260,000 |
|--|-------------------|

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Lord Chancellor's Department

RfR1 – To promote the development of a modern, fair, cost effective and efficient system of justice for all.

HQ and Associated Offices; marriage guidance; conciliation and mediation; the Court Service; the Public Guardianship Office; Legal Aid in criminal cases; Criminal Defence Service; Community Legal Service; administration for Legal Services Commission; administration for The Children and Family Court Advisory and Support Service; administration for the Office of the Information Commissioner; costs paid from central funds; the magistrates courts; other legal services; associated non cash items; and for joint initiatives in the Criminal Justice System.

The Lord Chancellor's Department will account for this Estimate.

Part II: Changes proposed

| | £'000 | | | | |
|---|--------------------------|---------------------------------|---------------------|-------------------------------|----------------------|
| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | New Net Provision |
| Resources | | | | | |
| RfR1: To promote the development of a modern, fair, cost effective and efficient system of justice for all | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| <i>Central Government's spending</i> | | | | | |
| RfR1 – A Headquarters and Associated Offices | 117,102 | –9,036 | 1,629 | –10,665 | 106,437 |
| RfR1 – B Court Service | 336,899 | 34,520 | 1,453 | 33,067 | 369,966 |
| RfR1 – C Public Guardianship Office | 7,899 | –572 | 2,100 | –2,672 | 5,227 |
| RfR1 – D Criminal Defence Service | 920,318 | 9,600 | – | 9,600 | 929,918 |
| <i>Support for Local Authorities</i> | | | | | |
| RfR1 – H Magistrates Courts Grants | – | 243,113 | – | 16,393 | 259,506 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Central Government spending</i> | | | | | |
| RfR1 – I Headquarters and Associated Offices | 39,750 | 3,662 | – | 3,662 | 43,412 |
| RfR1 – J Court Service | 27,595 | 5,184 | – | 5,184 | 32,779 |
| RfR1 – K Public Guardianship Office | 3,267 | –161 | – | –161 | 3,106 |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – M Legal Services Commission; Administration | 70,350 | 303 | – | 303 | 70,653 |
| RfR1 – N CAF/CASS | 70,496 | 1,500 | – | 1,500 | 71,996 |
| RfR1 – O Office of the Information Commissioner | 14,126 | –1,500 | – | –1,500 | 12,626 |
| RfR1 – P Magistrates Courts Grants | 44,834 | –5,493 | – | –5,493 | 39,341 |
| RfR1 – Q Payment from ODPM for Machinery of Government | – | – | 21 | –21 | –21 |
| Total RfR1 | 2,670,071 | 54,400 | 5,203 | 49,197 | |
| Total changes to RfRs | | 54,400 | 5,203 | 49,197 | |

| | £'000 | | |
|-----------------------------|--------------------------|------------------------|------------------|
| | Present Net Provision | Change in Provision | New Provision |
| Capital and Cash | | | |
| Total capital expenditure | 15,428 | 26,352 | 41,780 |
| Non-operating A-in-A | – | – | – |
| Net cash requirement | 2,519,462 | 72,260 | 2,591,722 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|--|----------------|----------------|------------------|------------------|----------------|------------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RFR 1: To promote the development of a modern, fair, cost effective and efficient system of justice for all | 730,348 | 740,699 | 1,663,579 | 3,134,626 | 415,358 | 2,719,268 | 41,780 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A Headquarters and Associated Offices | 92,650 | 22,419 | 2,078 | 117,147 | 10,710 | 106,437 | 4,762 | – |
| ★B Court Service | 544,797 | 166,116 | – | 710,913 | 340,947 | 369,966 | 35,053 | – |
| ★C Public Guardianship Office | 13,604 | 9,746 | – | 23,350 | 18,123 | 5,227 | 865 | – |
| ★D Criminal Defence Service | – | 496,424 | 435,200 | 931,624 | 1,706 | 929,918 | – | – |
| ★E Community Legal Service | – | – | 711,828 | 711,828 | – | 711,828 | – | – |
| ★F Costs from Central Funds | – | 44,555 | – | 44,555 | – | 44,555 | – | – |
| ★G Invest to Save Budget | – | 1,439 | – | 1,439 | – | 1,439 | – | – |
| Support for Local Authorities | | | | | | | | |
| H Magistrates Courts Grants | – | – | 303,357 | 303,357 | 43,851 | 259,506 | – | – |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★I Headquarters and Associated Offices | 43,412 | – | – | 43,412 | – | 43,412 | – | – |
| ★J Court Service | 32,779 | – | – | 32,779 | – | 32,779 | – | – |
| ★K Public Guardianship Office | 3,106 | – | – | 3,106 | – | 3,106 | – | – |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| L Magistrates Courts Grants on Loan Charges | – | – | 16,500 | 16,500 | – | 16,500 | – | – |
| M Legal Services Commission: Administration | – | – | 70,653 | 70,653 | – | 70,653 | – | – |
| N CAFCASS | – | – | 71,996 | 71,996 | – | 71,996 | – | – |
| O Office of the Information Commissioner | – | – | 71,996 | 71,996 | – | 71,996 | – | – |
| P Magistrates Courts Grants | – | – | 12,626 | 12,626 | – | 12,626 | – | – |
| Q Payment from ODPM for Machinery of Government changes | – | – | – | – | 21 | –21 | – | – |
| ★R HM Land Registry: Capital Modernisation Fund | – | – | – | – | – | – | 1,100 | – |
| Total | 730,348 | 740,699 | 1,663,579 | 3,134,626 | 415,358 | 2,719,268 | 41,780 | – |

Part II: Resource to cash reconciliation

| | Present | Increase/Decrease | £'000 Revised |
|---|------------------|-------------------|------------------|
| Net total resources | 2,670,071 | 49,197 | 2,719,268 |
| Voted capital items | | | |
| Capital expenditure less non-operating A in A | 15,428 | 26,352 | 41,780 |
| Total net voted capital | 15,428 | 26,352 | 41,780 |
| Accruals to cash adjustments: | | | |
| Cost of capital charges | –56,298 | –2,552 | –58,850 |
| Depreciation | –45,522 | –6,135 | –51,657 |
| New provisions and adjustments to previous provisions | –69,416 | – | –69,416 |
| Other non-cash items | – | – | – |
| Increase (+)/decrease (–) in stock | – | – | – |
| Increase (+)/decrease (–) in debtors | 4,584 | 6,690 | 11,274 |
| Increase (–)/decrease (+) in creditors | 616 | –1,293 | –677 |
| Use of provisions | – | – | – |
| Total accruals to cash adjustments | –166,036 | –3,290 | –169,326 |
| Excess cash to be CFER'd | – | – | – |
| Net cash requirement | 2,519,462 | – | 2,591,722 |

Forecast Operating Cost Statement

| | £'000 | |
|---------------------------------|-----------|----------------------|
| | | 2002-03 provision |
| Net Administration Costs | | |
| RfR1 | 719,185 | |
| Total Net Administration Costs | | 719,185 |
| Net Programme Costs | | |
| Voted Expenditure | | |
| RfR 1 | 2,000,083 | |
| Non-voted expenditure | 92,822 | |
| Total Net Programme costs | | 2,092,905 |
| TOTAL NET OPERATING COST | | 2,812,090 |
| <i>Of which:</i> | | |
| NET RESOURCE OUTTURN | | 2,719,268 |
| CFERs | | - |
| Non-voted expenditure | | 92,822 |
| RESOURCE BUDGET OUTTURN | | 2,758,350 |

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------------|
| | 2002–03 provision |
| Net Resource Outturn (Estimates) | 2,719,268 |
| <i>Adjustments for:</i> | |
| Non-voted expenditure in the OCS | 92,822 |
| Net Operating Costs (Accounts) | 2,812,090 |
| <i>Adjustments for:</i> | |
| Full resource consumption of non-departmental public bodies | 2,101 |
| Capital grants to the private sector and local authorities | –39,341 |
| Voted expenditure outside the budget: Magistrates Courts grants on loan charges | –16,500 |
| Remove Machinery of Government Payments | –21 |
| Resource Budget Outturn (Budget) | 2,758,350 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | 2,675,765 |
| Annually Managed Expenditure (AME) | 82,585 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|----------------------|
| | 2002–03 provision |
| Net Voted Capital Outturn (Estimates) | 41,780 |
| Full capital expenditure by non-departmental public bodies | 590 |
| Capital grants to the private sector and local authorities | 39,341 |
| Local authority credit approvals | 10,802 |
| Capital Budget Outturn (Budget) | 92,513 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 92,513 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Lord Chancellor's Department, Sir Hayden Phillips, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|---------------------|-----------------------------|
| | 2002–03 Provision | |
| | Operating A in A | Non- operating A in A |
| RfR1: To promote the development of a modern, fair, cost effective and efficient system of justice for all. | | |
| Administration income | 11,163 | – |
| Other Current income | 404,195 | – |
| Sale of fixed assets | – | – |
| Total RfR1 | 415,338* | – |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from civil court fees; fees charged by the Public Trustee and the Court of Protection; recoveries from the National Investment and Loans Office for the cost of administering funds in court; recovery from the investment managers for the cost of administering the Commons Investment Schemes; recoveries for research and recommendation work undertaken by the Law Commission; recoveries by the Official Solicitor pursuant to his duties under the Supreme Court Act 1981 and Public Trustee Act 1906; fees charged by the Lands Tribunal, recoveries from the National Insurance Fund for the cost of Social Security Commissioners; fees from the Land Registry; fees relating to the Office of the Information Commissioner; fees from nursery facilities and other fees; charges and receipts received; sale of publications; reimbursements from the ARAMIS PFI supplier of the costs of seconded staff and banking charges; receipts from rents; service charges and site usage; recovery for magistrates' courts accommodation; the disposal of land, buildings and surplus equipment, contributions paid by legally aided defendants in the higher courts; receipts of VAT refunds on contracted out services, judicial superannuation contributions, receipts from the European Commission; receipts from the Financial Services and Markets Tribunal; receipts under the New Deal Scheme; receipts from Wider Markets Initiatives; receipts from Royal Licences; payments from Home Office, Cabinet Office and the Office of the Deputy Prime Minister arising from Machinery of Government changes.

Departmental Expenditure Limits and administration costs limits

As announced to the House of Commons the LCD DEL has changed as follows:

| Resources | | Capital | |
|------------------|---------------|----------------|------------|
| Change | 45,971,000 | Change | 20,895,000 |
| New DEL | 2,675,765,000 | New DEL | 92,513,000 |
| of which: | | of which: | |
| Voted | 2,428,856,000 | Voted | 81,121,000 |
| Non Voted | 246,909,000 | Non Voted | 11,392,000 |

The administration costs limit has been increased by £19,315,000 from £620,573,000 to £639,888,000.

Public Record Office

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - i) to take up DEL end year flexibility of £1,000,000 resources on administration costs as set out in the Public Expenditure Outturn White Paper (Cm 5574). (Subhead A1);
2. As a result of all changes there is an increase in Net Cash Requirement of £1,000,000
3. Symbols are explained in the Introduction to this booklet.

Part I

| | £ |
|--|------------------|
| RfR1: Assisting and promoting the study of the past in order to inform the present and future | 1,000,000 |
| Total net resource requirement | 1,000,000 |
| Additional net cash requirement | 1,000,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Public Record Office on:

RfR1 – Assisting and promoting the study of the past in order to inform the present and future:

Payments for expenditure by the Public Record Office on administration and operational costs.

The **Public Record Office** will account for this Estimate.

Part II: Changes proposed

| | | | | £'000 |
|--|--------------------------|---------------------------------|---------------------|-------------------------------|
| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision |
| | | | | New Net Provision |
| Resources | | | | |
| RfR1: Assisting and promoting the study of the past in order to inform the present and future | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | |
| RfR1 – A Public Record Office | 31,626 | 1,000 | – | 1,000 |
| Total RfR1 | | 1,000 | – | 1,000 |

| | Present provision | Change in provision | £'000 New provision |
|-----------------------------|----------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 3,300 | – | 3,300 |
| Non-operating A-inA | – | – | – |
| Net cash requirement | 27,148 | 1,000 | 28,148 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|--|---------------|---------------|----------|---------------|--------------|---------------|--------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfRI: Assisting and promoting the study of the past in order to inform the present and future | 38,096 | – | – | 38,096 | 1,600 | 36,496 | 3,300 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | |
| ★A. Public Record Office | 34,226 | – | – | 34,226 | 1,600 | 32,626 | 3,300 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | |
| B. Public Record Office | 3,860 | – | – | 3,860 | – | 3,860 | – | – |
| Other spending outside Departmental Expenditure Limits | | | | | | | | |
| C. Public Record Office | 10 | – | – | 10 | – | 10 | – | – |
| Total | 38,096 | – | – | 38,096 | 1,600 | 36,496 | 3,300 | – |

Part II: Resource to Cash Reconciliation

| | Present | Increase+/ Decrease– | £'000 Revised |
|---|----------------|-------------------------|------------------|
| Net total Resources | 35,496 | 1,000 | 36,496 |
| Voted capital items | | | |
| Capital expenditure | 3,300 | – | 3,300 |
| less non-operating AinA | – | – | – |
| Total net voted capital | 3,300 | – | 3,300 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –6,890 | – | –6,890 |
| Depreciation | –4,758 | – | –4,758 |
| Other non-cash items | – | – | – |
| Increase(+)/decrease (-) in stock | – | – | – |
| Increase(+)/decrease (-) in debtors | – | – | – |
| Increase(-)/decrease (+) in creditors | – | – | – |
| Use of Provisions | – | – | – |
| Total accruals to cash adjustments | –11,648 | – | –11,648 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 27,148 | 1,000 | 28,148 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | | £'000 2002-2003 Provision |
|---------------------------------|--------|---------------------------------|
| Net Administration Costs | | |
| RfR1 | 36,496 | |
| Total Net Administration Costs | | 36,496 |
| Net Programme Costs | - | |
| RfR 1 | - | |
| Total net programme costs | | |
| TOTAL NET OPERATING COST | - | 36,496 |
| <i>of which:</i> | | |
| NET RESOURCE OUTTURN | - | 36,496 |
| CFERs | | |
| Non-voted expenditure | | |
| RESOURCE BUDGET OUTTURN | - | 36,496 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £000 2002-2003 Provision |
|--|--------------------------------|
| Net Resource Outturn (Estimates) | 36,496 |
| Net Operating Costs (Accounts) | 36,496 |
| <i>Adjustment for</i> | |
| Gains/losses from sale of capital assets | -10 |
| Resource Budget Outturn (Budget) | 36,486 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 32,626 |
| Annually Managed Expenditure (AME) | 3,860 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £000 2002-2003 Provision |
|--|--------------------------------|
| Net Voted Capital Outturn (Estimates) | 3,300 |
| <i>Adjustment for</i> | |
| Gains/losses from sale of capital assets | 10 |
| Capital Budget Outturn | 3,310 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 3,310 |
| Annually Managed Expenditure (AME) | - |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Public record Office, Mrs Sarah Tyacke, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | provision 2002-03 | £000 |
|--|----------------------|-----------------------|
| | AinA | Non-operating AinA |
| RfR1: Assisting and promoting the study of the past in order to inform the present and future | | |
| Records, registration and surveys | 1,600 | -- |
| Total RfR1 | 1,600* | -- |

*Amount that may be applied as appropriations in aid in addition to the net total, arising from charges for the sale of copies of documents; sale of publications and other items and services; professional fees; sale of fixed assets and grants received to carry out specific projects.

Departmental Expenditure Limits and administration costs limits

As announced the Public Record Office Resource DEL will change as follows:

| Resources | | Capital | |
|------------------|------------|------------------|-----------|
| Change | 1,000,000 | Change | -- |
| New DEL | 32,626,000 | New DEL | 3,310,000 |
| <i>of which:</i> | | <i>of which:</i> | |
| Voted | 32,626,000 | Voted | 3,310,000 |
| Non voted | -- | Non voted | -- |

The administration costs limit has been increased by £1,000,000 from £33,226,000 to £34,226,000.

Cash which may be retained to offset expenditure

| | £'000 |
|---|-------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 1,600 |

The Crown Prosecution Service

Introduction

This Supplementary Estimate is required for the following purposes:

- i) to provide additional resources of £58,490,000 from the Criminal Justice System reserve.
 - ii) to provide additional capital of £1,700,000 from the Criminal Justice System reserve.
 - iii) a transfer of £1,500,000 from section B of the Vote to section A to support the increased deployment of internal resources in the Crown Court
2. As a result of these changes there is an increase in Net Cash Requirement of £60,190,000
 3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR1: Increasing public confidence in the criminal justice system through firm, fair and effective prosecutions **58,490,000**

Total net resource requirement **58,490,000**

Additional Net Cash Requirement **60,190,000**

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Crown Prosecution Service on:

RfR1: Increasing public confidence in the criminal justice system through firm, fair and effective prosecutions

Administrative costs, including the hire of private prosecuting agents; Crown prosecutions; and in connection with the confiscation of the proceeds of crime; and associated non-cash items.

The **Crown Prosecution Service** will account for this Estimate.

Part II: Changes proposed

| | | | | | £'000 |
|--|--------------------------|---------------------------------|---------------------|-------------------------------|----------------------|
| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | New Net Provision |
| Resources | | | | | |
| RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A Administration costs | 276,885 | 59,990 | – | 59,990 | 336,875 |
| RfR1 – B Crown Prosecutions and Legal Services | 104,700 | –1,500 | – | 1,500 | 103,200 |
| Total RfR1 | 381,585 | 58,490 | – | 58,490 | 440,075 |

| | Present Provision | Change in Provision | £'000 New Provision |
|-----------------------------|----------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 10,300 | 1,700 | 12,000 |
| Non-Operating A-in-A | – | – | – |
| Net cash requirement | 392,942 | 60,190 | 453,132 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|--|----------------|----------------|----------|----------------|---------------|----------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1: Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | 353,703 | 133,335 | - | 487,038 | 30,950 | 456,088 | 12,000 | - |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central governments spending</i> | | | | | | | | |
| A Administration | 338,525 | - | - | 338,525 | 1,650 | 336,875 | 12,000 | - |
| B Crown prosecutions and legal services | - | 132,500 | - | 132,500 | 29,300 | 103,200 | - | - |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | |
| C Administration | 15,178 | - | - | 15,178 | - | 15,178 | - | - |
| D Crown prosecutions and legal services | - | 835 | - | 835 | - | 835 | - | - |
| Total | 353,703 | 133,335 | - | 487,038 | 30,950 | 456,088 | 12,000 | - |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | £000 Revised |
|---|----------------|-------------------------------|-----------------|
| Net total resources | 397,598 | 58,490 | 456,088 |
| Voted capital items | | | |
| Capital expenditure | 10,300 | 1,700 | 12,000 |
| less: non-operating A-in-A | — | — | — |
| Total net voted capital | 10,300 | 1,700 | 12,000 |
| Accruals to cash adjustment: | | | |
| Cost of Capital Charges | -4,352 | — | -4,352 |
| Depreciation | -11,911 | — | -11,911 |
| New provisions and adjustments to previous provisions | — | — | — |
| Other non-cash items | -86 | — | -86 |
| Increase(+)/decrease(-) in stock | — | — | — |
| Increase(+)/decrease(-) in debtors | — | — | — |
| Increase(-)/decrease(+) in creditors | -500 | — | -500 |
| Use of provisions | 1,893 | — | 1,893 |
| Total accruals to cash adjustments | -14,956 | — | -14,956 |
| Excess cash to be CFERd | — | — | — |
| Net cash requirement | 392,942 | 60,190 | 453,132 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Costs Statement

| | £'000 2002-03 provision |
|----------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | 352,053 |
| Total Net Administration Costs | 352,053 |
| Net Programme Costs | |
| RfR1 | 104,035 |
| Total Net Programme Costs | 104,035 |
| TOTAL NET OPERATING COSTS | 456,088 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 456,088 |
| CFERs | — |
| Non-voted expenditure | — |
| RESOURCE BUDGET OUTTURN | 465,288 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 provision |
| Net Resource Outturn (Estimates) | 456,088 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | - |
| Consolidated Fund Extra Receipts in the OCS | - |
| Net Operating Costs (Accounts) | 456,088 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts | - |
| Unallocated resource provision | 9,200 |
| Other adjustments | - |
| Resource Budget Outturn (Budget) | 465,288 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | 451,168 |
| Annually Managed Expenditure (AME) | 14,120 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|----------------------|
| | 2002-03 provision |
| Net Voted Capital Outturn (Estimates) | 12,000 |
| Capital Budget Outturn (Budget) | 12,000 |
| <i>of which</i> | |
| Departmental Expenditure Limits (DEL) | 12,000 |
| Annually Managed Expenditure (AME) | - |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Director of Public Prosecutions as Accounting Officer for the Crown Prosecution Service with overall responsibility for preparing the Department's Estimate.

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

The allocation of Accounting Officer responsibilities in the Crown Prosecution Service is as follows:

Request for Resources 1: Sir David Calvert-Smith QC, Accounting Officer and
Permanent Head of Department

Mr Richard Foster, Additional Accounting Officer and Chief Executive of the Department

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*. Under the terms of the Accounting Officers' Memorandum the relationship between the Crown Prosecution Service's Accounting Officer and Additional Accounting Officer, together with their respective responsibilities, is set out in writing.

Analysis of Appropriations in Aid

| | £'000 | |
|--|---------------------|-----------------------------|
| | 2002-03 Provision | |
| | Operating A-in-A | Non- operating A-in-A |
| RfR 1 – Increasing public confidence in the criminal justice system through fair, firm and effective prosecutions | | |
| Income from rent in jointly occupied buildings and contract car contributions | 1,650 | – |
| Costs awarded to CPS in court | 29,300 | – |
| Total RfR1 | 30,950* | – |

*Amount that may be applied as appropriations in aid in addition to the net total arising from the recovery of costs from private tenants in jointly occupied buildings, leased cars and costs awarded to the CPS in court

DEL and Administration Costs Limits

As announced by the Attorney General to the House of Commons the Crown Prosecution Service's element of the Attorney General's DEL will change as follows:

| Resources | | Capital | |
|-----------|-------------|-----------|------------|
| Change | 58,490,000 | Change | 1,700,000 |
| New DEL | 451,168,000 | New DEL | 12,000,000 |
| of which: | | of which: | |
| Voted | 440,075,000 | Voted | 12,006,000 |
| Non Voted | 11,093,000 | Non Voted | — |

The Administration Costs Limit has been increased by £59,990,000 from £282,059,000 to £342,049,000.

Cash which may be retained to offset expenditure

| | £'000 |
|---|--------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 25,650 |

Serious Fraud Office

Introduction

1. This Supplementary Estimate is required for the following main purposes:
 - (i) to record a reduction in operating appropriations in aid of £450,000 in respect of lower than expected costs awarded
 - (ii) to give effect to a claim on DEL Reserve of £5,000,000
 - (iii) to increase the department's administration cost limit by £1,120,000.
2. As a result of all changes there is an increase in Net Cash Requirement of £5,000,000.
3. Symbols are explained in the introduction to this booklet.

Part I

£

| | |
|--|------------------|
| RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law. | 5,000,000 |
| Total net resource requirement | 5,000,000 |
| Additional Net Cash Requirement | 5,000,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by Serious Fraud Office on:

RfR1 – Reducing fraud and the cost of fraud and delivering justice and the rule of law.

Administration, investigation, prosecution and associated non-cash items

The **Serious Fraud Office** will account for this Estimate.

Part II: Changes proposed

| Resources | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | £'000 New Net Provision |
|--|-----------------------|---------------------------|------------------|-------------------------|-------------------------|
| RfR1: Reducing fraud and the cost of fraud and delivering justice and the rule of law | | | | | |
| Central Government's spending | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A Administration | 15,390 | 1,120 | – | 1,120 | 16,510 |
| RfR1 – B Investigation and prosecutions | 5,910 | 3,430 | –450 | 3,880 | 9,790 |
| Total RfR1 | | 4,550 | –450 | 5,000 | |
| Capital and Cash | | | | | |
| Total Capital expenditure | 600 | – | 600 | | |
| Net cash requirement | 22,350 | 5,000 | 27,350 | | |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|---------------|--------------------|-------------|------------------|-------------|----------------|--------------|---------------------------|
| | 1 Admin | 2 Other Current | 3 Grants | 4 Gross Total | 5 A in A | 6 Net Total | 7 Capital | 8 Non-Operating A in A |
| RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law | 16,810 | 9,960 | – | 26,770 | 20 | 26,750 | 600 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A Administration | 16,510 | – | – | 16,510 | – | 16,510 | 600 | – |
| ★B Investigation and prosecutions | – | 9,810 | – | 9,810 | 20 | 9,790 | – | – |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| C Administration | 300 | 150 | – | 450 | – | 450 | – | – |
| TOTAL | 16,810 | 9,960 | – | 26,770 | 20 | 26,750 | 600 | – |

Part II: Resource to Cash Reconciliation

| | Present | Increase(+)/ Decrease(-) | £'000 Revised |
|--|---------------|-----------------------------|------------------|
| Net total Resources | 21,750 | 5,000 | 26,750 |
| Voted capital items | | | |
| Capital expenditure | 600 | - | 600 |
| less: non-operating A in A | - | - | - |
| Total net voted capital | 600 | - | 600 |
| Accruals to cash adjustments: | | | |
| Cost of capital charges | -100 | - | -100 |
| Depreciation | -250 | - | -250 |
| New provision and adjustments to previous provisions | -100 | - | -100 |
| Other non-cash items | -50 | - | -50 |
| Increase(+)/decrease (-) in stock | - | - | - |
| Increase (+)/decrease (-) in debtors | 250 | - | 250 |
| Increase (-)/decrease (+) in creditors | 200 | - | 200 |
| Use of provisions | 50 | - | - |
| | | | 50 |
| Total accruals to cash adjustments | | - | |
| Excess cash to be CFERD | - | - | |
| Net cash requirement | 22,350 | 5,000 | 27,350 |

Part III Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Costs Statement

| | £'000 2002-03 Provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RFR1 | 16,810 |
| Total Net Administration Costs | 16,810 |
| Net Programme Costs | |
| RFR 1 | 9,940 |
| Total Net Programme costs | 9,940 |
| TOTAL NET OPERATING COST | 26,750 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 26,750 |
| CFERs | - |
| Non-voted expenditure | - |
| RESOURCE BUDGET OUTTURN | 26,750 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 Provision |
|--------------------------------------|-------------------------------|
| Net Resource Outturn (Estimates) | 26,750 |
| Net Operating Costs (Accounts) | 26,750 |
| Resource Budget Outturn (Budget) | 26,750 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 26,350 |
| Annually Managed Expenditure (AME) | 400 |

Reconciliation of capital expenditure between Estimates and Budgets

| | |
|---------------------------------------|-----|
| Net Voted Capital Outturn (Estimates) | 600 |
| Capital Budget Outturn (Budget) | 600 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 600 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer responsibilities

The Director of the Serious Fraud Office is Accounting Officer with overall responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*. Under the terms of the Accounting Officers' Memorandum the relationship between the Treasury's Principal Accounting Officer and Additional Accounting Officer, together with their respective responsibilities is set out in writing.

Analysis of Appropriations in Aid

| | £'000 | |
|---|---------------------|-----------------------------|
| | Operating A in A | Non- operating A in A |
| RfR1: Reducing fraud and the cost of fraud and delivering justice and the rule of law. | | |
| Income received from the award of legal costs to the Serious Fraud Office | 20 | – |
| Total A in A | 20* | – |

* Amount that may be applied on appropriations in aid in addition to the net total, arising from the recovery of income arising from costs awarded to the Serious Fraud Office by the Courts.

Departmental Expenditure Limits and administration costs limits

As announced to the House of Commons by the Serious Fraud Office's element of the Attorney General's DEL will change as follows:

| Resources | | Capital | |
|-----------|------------|-----------|-----|
| Change | 5,000 | Change | – |
| New DEL | 26,350,000 | New DEL | 600 |
| of which: | | of which: | |
| Voted | 26,300,000 | Voted | 600 |
| Non Voted | 50,000 | Non Voted | – |

The department's Administrative Costs Limit will increase by £1,120,000 from £15,390,000 to £16,510,000.

Cash which may be retained to offset expenditure

| | £'000 |
|--|-------|
| Cash which may be retained by the department in the year due to its relationship with income that has been or will be appropriated in aid. | 20 |

Ministry of Defence

Introduction

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

- (i) to give effect to the take up of DEL end year flexibility of £68,668,000 Resource and £100,000,000 Capital on provision for defence capability as set out in the Public Expenditure Outturn White Paper (Cm 5574). (RfR1: subheads A,B,C,D,E,F,G,H,I,J,K and L);
- (ii) to revise the forecasts for the costs of operations in Kosovo, Bosnia and Afghanistan.

| £m | Res DEL | AME | Cap DEL |
|--------------|----------------|--------------|----------------|
| Kosovo | -44.407 | 2.010 | 15.020 |
| Bosnia | -20.472 | 9.512 | -1.400 |
| Afghanistan | 273.435 | -6.229 | -3.000 |
| Total | 208.556 | 5.293 | 10.620 |

(RfR2: subheads C and D);

- (iii) to reflect an increase in the Net Cash Requirement of £729,844,000 resulting from the above changes to RfR1 and RfR2 and a payment into court pending an appeal against an adjudication;
- (iv) to increase AME costs by £110,000,000 in respect of a reduction in HMS Sheffield's valuation. This impairment to net recoverable amount is the result of a decision to sell the asset (RfR1: subhead M).

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

Part I:

£

| | |
|---|--------------------|
| RRfR1: Provision of Defence Capability | 178,668,000 |
| RfR2: Conflict Prevention | 213,849,000 |
| Total net resource requirement | 392,517,000 |
| Additional net cash requirement | 729,844,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Ministry of Defence on:

RfR1: 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 costs; 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; lands 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; set up costs and loans to, and income from, trading funds and other associated non cash items.

RfR2: Conflict Prevention

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

RfR3: War Pensions and Allowances, etc.

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

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

Part II: Changes proposed

| £'000 | | | | | | |
|--|---|---------------------------|------------------|-------------------------|-------------------|-------------------|
| Resources | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | New Net Provision | |
| RfR1: Provision of Defence Capability | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR1 – A | Commander-in-Chief Fleet | 1,247,628 | –2,029 | – | –2,029 | 1,245,599 |
| RfR1 – B | General Officer Commanding (Northern Ireland) | 493,576 | 20,513 | – | 20,513 | 514,089 |
| RfR1 – C | Commander-in-Chief Land Command | 3,640,363 | –39,098 | – | –39,098 | 3,601,265 |
| RfR1 – D | Air Officer Commanding-in-Chief RAF Strike Command | 1,794,932 | –85,390 | – | –85,390 | 1,709,542 |
| RfR1 – E | Chief of Joint Operations | 351,649 | 7,514 | – | 7,514 | 359,163 |
| RfR1 – F | Chief of Defence Logistics | 4,353,141 | 253,930 | – | 253,930 | 4,607,071 |
| RfR1 – G | 2nd Sea Lord/Commander in Chief Naval Home Command | 600,370 | 20,859 | – | 20,859 | 621,229 |
| RfR1 – H | Adjutant General | 1,374,068 | 7,717 | – | 7,717 | 1,381,785 |
| RfR1 – I | Air Officer Commanding-in-Chief RAF Personnel and Training Command | 778,723 | 51,080 | – | 51,080 | 829,803 |
| RfR1 – J | Central TLB | 2,062,218 | –140,889 | – | –140,889 | 1,921,329 |
| RfR1 – K | Defence Procurement Agency | 1,072,267 | –35,077 | – | –35,077 | 1,037,190 |
| RfR1 – L | Major Customers Research Budgets | 412,844 | 9,538 | – | 9,538 | 422,382 |
| Spending in Annually Managed Expenditure (AME) | | | | | | |
| RfR1 – M | Commander-in-Chief Fleet | 2,550,860 | 110,000 | – | 110,000 | 2,660,860 |
| Total RfR1 | | 20,732,639 | 178,668 | – | 178,668 | 20,911,307 |
| RfR2: Conflict Prevention | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2-C | Peacekeeping Rest of the World | 255,365 | 208,556 | – | 208,556 | 463,921 |
| Spending in Annually Managed Expenditure (AME) | | | | | | |
| <i>Non-cash items</i> | | | | | | |
| RfR2-D | Peacekeeping Rest of the World | 47,186 | 5,293 | – | 5,293 | 52,479 |
| Total RfR2 | | 302,551 | 213,849 | – | 213,849 | 516,400 |
| Total Changes to RfRs | | 21,035,190 | 392,517 | – | 392,517 | 21,427,707 |

| £'000 | | | |
|-----------------------------|-------------------|---------------------|-------------------|
| Capital and Cash | Present Provision | Change in Provision | New Provision |
| Total Capital Expenditure | 5,843,772 | 110,620 | 5,954,392 |
| Non-Operating A in A | 217,169 | – | 217,169 |
| Net Cash Requirement | 26,091,927 | 729,844 | 26,821,771 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | Capital | | £'000 |
|--|-----------|---------------|---------|-------------|-----------|------------|-----------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RFR1: Provision of Defence Capability | – | 32,715,289 | 146,999 | 32,862,288 | 1,395,807 | 31,466,481 | 5,837,272 | 217,169 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★ A. Commander-in-Chief Fleet | – | 1,267,053 | – | 1,267,053 | 21,454 | 1,245,599 | 17,173 | – |
| ★ B. General Officer Commanding (Northern Ireland) | – | 515,750 | – | 515,750 | 1,661 | 514,089 | 27,000 | 1,300 |
| ★ C. Commander-in-Chief Land Command | – | 3,780,569 | – | 3,780,569 | 179,304 | 3,601,265 | 81,025 | 172 |
| ★ D. Air Officer commanding -in-Chief RAF Strike Command | – | 1,737,450 | – | 1,737,450 | 27,908 | 1,709,542 | 55,699 | – |
| ★ E. Chief of Joint Operations | – | 387,019 | – | 387,019 | 27,856 | 359,163 | 23,773 | 401 |
| ★ F. Chief of Defence Logistics | – | 4,948,224 | 1,300 | 4,949,524 | 342,453 | 4,607,071 | 880,552 | 27,898 |
| ★ G. 2nd Sea Lord/Commander in Chief Naval Home Command | – | 663,878 | – | 663,878 | 42,649 | 621,229 | 12,600 | – |
| ★ H. Adjutant General (Personnel and Training) | – | 1,404,137 | – | 1,404,137 | 22,352 | 1,381,785 | 37,542 | – |
| ★ I. Air Officer commanding -in-Chief RAF Personnel and Training Command | – | 982,901 | – | 982,901 | 153,098 | 829,803 | 13,103 | 118 |
| ★ J. Central TLB | – | 2,309,959 | 145,200 | 2,455,159 | 533,830 | 1,921,329 | 171,430 | 158,777 |
| ★ K. Defence Procurement Agency | – | 1,050,867 | – | 1,050,867 | 13,677 | 1,037,190 | 4,517,375 | – |
| ★ L. Major Customers Research Budget | – | 422,382 | – | 422,382 | – | 422,382 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| M. Commander-in-Chief Fleet | – | 2,660,860 | – | 2,660,860 | – | 2,660,860 | – | – |
| N. General Officer Commanding (Northern Ireland) | – | 137,959 | – | 137,959 | – | 137,959 | – | – |
| O. Commander-in-Chief Land Command | – | 1,485,148 | – | 1,485,148 | – | 1,485,148 | – | – |
| P. Air Officer commanding -in-Chief RAF Strike Command | – | 2,330,436 | – | 2,330,436 | – | 2,330,436 | – | – |
| Q. Chief of Joint Operations | – | 133,552 | – | 133,552 | – | 133,552 | – | – |
| R. Chief of Defence Logistics | – | 4,348,800 | – | 4,348,800 | – | 4,348,800 | – | – |
| S. 2nd Sea Lord/Commander in Chief Naval Home Command | – | 68,500 | – | 68,500 | – | 68,500 | – | – |
| T. Adjutant General (Personnel & Training) | – | 256,709 | – | 256,709 | – | 256,709 | – | – |
| U. Air Officer commanding -in-Chief RAF Personnel and Training Command | – | 155,925 | – | 155,925 | – | 155,925 | – | – |
| V. Central TLB | – | 279,384 | – | 279,384 | – | 279,384 | – | – |
| W. Defence Procurement Agency | – | 1,384,764 | – | 1,384,764 | – | 1,384,764 | – | – |
| X. Major Customers Research Budgets | – | –3,646 | – | –3,646 | – | –3,646 | – | – |

Part II: Revised subhead detail including additional provision (continued)

| | | Resources | | | | | Capital | | £'000 |
|---|--|-------------------|------------------|-------------------|------------------|-------------------|------------------|----------------|-----------------------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- Operating A in A |
| Other Spending outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| Y. | Commander-in-Chief Fleet | – | – | – | – | – | – | – | – |
| Z. | General Officer Commanding (Northern Ireland) | – | – | – | – | – | – | – | – |
| AA. | Commander-in-Chief Land Command | – | – | – | – | – | – | – | – |
| AB. | Air Officer commanding-in-Chief RAF Strike Command | – | – | – | – | – | – | – | – |
| AC. | Chief of Joint Operations | – | – | – | – | – | – | – | – |
| AD. | Chief of Defence Logistics | – | – | – | – | 6,065 | –6,065 | – | – |
| AE. | 2nd Sea Lord/Commander in Chief Naval Home Command | – | – | – | – | – | – | – | – |
| AF. | Adjutant General (Personnel & Training) | – | – | – | – | – | – | – | – |
| AG. | Air Officer commanding-in-Chief RAF Personnel and Training Command | – | – | – | – | – | – | – | – |
| AH. | Central TLB | – | 6,709 | 499 | 7,208 | 23,500 | –16,292 | – | – |
| AI. | Defence Procurement Agency | – | – | – | – | – | – | – | – |
| AJ. | Major Customers Research Budgets | – | – | – | – | – | – | – | – |
| | Loan and grants to and repayments from Hydrographic Office | – | – | – | – | – | – | – | 279 |
| | Loan and grants to and repayments from DSTL | – | – | – | – | – | – | – | 2,100 |
| | Loan and grants to and repayments from DARA | – | – | – | – | – | – | – | 2,115 |
| | Loan and grants to and repayments from QinetiQ | – | – | – | – | – | – | – | 24,000 |
| | RfR2: Conflict Prevention | | 554,990 | – | 554,990 | – | 554,990 | 117,120 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| ★ A. | Programme Sub-Saharan Africa | – | 18,929 | – | 18,929 | – | 18,929 | – | – |
| ★ B. | Programme Rest of the World | – | 19,661 | – | 19,661 | – | 19,661 | – | – |
| ★ C. | Peacekeeping Sub-Saharan Africa | – | – | – | – | – | – | – | – |
| ★ D. | Peacekeeping Rest of the World | – | 463,921 | – | 463,921 | – | 463,921 | 117,120 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| E. | Programme Sub-Saharan Africa | – | – | – | – | – | – | – | – |
| F. | Peacekeeping Rest of the World | – | 52,479 | – | 52,479 | – | 52,479 | – | – |
| | RfR3: War Pensions Programme Costs | – | 5 | 1,186,715 | 1,186,720 | – | 1,186,720 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | | |
| A. | War Pensions – Programme Costs | – | 5 | 1,185,500 | 1,185,505 | – | 1,185,505 | – | – |
| B. | War Pensions – Programme Costs Far Eastern Prisoners of War | – | – | 1,200 | 1,200 | – | 1,200 | – | – |
| C. | War Pensions – Programme Costs (BLESMA) | – | 15 | 15 | – | 15 | – | – | – |
| Total | | 33,270,284 | 1,333,714 | 34,603,998 | 1,395,807 | 33,208,191 | 5,954,392 | 217,169 | |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+) / Decrease (-) | £000 Revised |
|---|--------------------|--------------------------------|--------------------|
| Net total Resources | 32,815,674 | 392,517 | 33,208,191 |
| Voted capital items | | | |
| Capital expenditure | 5,843,772 | 110,620 | 5,954,392 |
| Less: non-operating A in A | 217,169 | – | 217,169 |
| Total net voted capital | 5,626,603 | 110,620 | 5,737,223 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –5,144,580 | | –5,144,580 |
| Depreciation | –7,175,097 | –115,293 | –7,290,390 |
| New provisions and adjustments to previous provisions | –432,079 | | –432,079 |
| Other non-cash items | –5,000 | | –5,000 |
| Increase (+)/decrease (-) in stock | –431,037 | | –431,037 |
| Increase (+)/decrease (-) in debtors | 264,848 | 342,000 | 608,848 |
| Increase (-)/decrease (+) in creditors | 160,758 | | 160,758 |
| Use of provisions | 411,837 | | 411,837 |
| Total accruals to cash adjustments | –12,350,350 | 226,707 | –12,123,643 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 26,091,927 | | 26,821,771 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | | £'000 2002–03 provision |
|---------------------------------------|------------|-------------------------------|
| Net Administration Costs | | |
| RfR1 | -- | |
| RfR2 | -- | |
| RfR3 | -- | |
| Total Net Administration Costs | | -- |
| Net Programme Costs | | |
| RfR1 | 31,448,541 | |
| RfR2 | 554,990 | |
| RfR3 | 1,186,720 | |
| Total Net Programme costs | | 3,319,251 |
| TOTAL NET OPERATING COST | | 33,190,251 |
| <i>of which:</i> | | |
| NET RESOURCE OUTTURN | | 33,208,191 |
| CFERs | | -17,940 |
| Non-voted expenditure | | -- |
| RESOURCE BUDGET OUTTURN | | 33,249,379 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 provision |
|--|-------------------------------|
| Net Resource Outturn (Estimates) | 33,208,191 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | |
| Consolidated Fund Extra Receipts in the OCS | -17,940 |
| Net Operating Costs (Accounts) | 33,190,251 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts (CFERs) | 17,940 |
| Full resource consumption of public corporations | 37,551 |
| Gains/losses from sale of capital assets | - |
| European Union income and related adjustments | 250 |
| Voted expenditure outside the budget | 3,387 |
| Other adjustments | - |
| Resource Budget Outturn (Budget) | 33,249,379 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 19,142,668 |
| Annually Managed Expenditure (AME) | 14,106,711 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 5,737,223 |
| Full capital expenditure by public corporations | 171,922 |
| Other adjustments: sale of shares | — |
| | |
| Capital Budget Outturn (Budget) | 5,909,145 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 5,842,145 |
| Annually Managed Expenditure (AME) | 67,000 |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Ministry of Defence, Sir Kevin Tebbit, as the Accounting Officer of the Department with responsibility for preparing the Department's Estimates of Defence Capability (RfR1), Conflict Prevention (RfR2) and War Pensions (RfR3).

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | £'000 | |
|--|-------------------|----------------------|
| | 2002–03 Provision | |
| | Operating A-in-A | Non-operating A-in-A |
| RfR1: Provision of Defence Capability | | |
| Income from Supplies and Services | | |
| Loan and Rental Income | 987,497 | |
| Interest Received | 228,880 | |
| Other Income | 4,290 | |
| Payment for the War Pensions agency (WPA) from the Department for Work and Pensions | 175,140 | |
| Payment for the Security Services Group (SSG) from the Cabinet Office | | |
| Income from Sale of Fixed Assets | | 188,675 |
| Loan Repayments from Trading funds | | 28,494 |
| Total RfR1 | 1,395,807* | 217,169** |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income from fees, income from charges and reimbursement for services provided towards administering the National Insurance Fund.

** Amount that may be applied as non-operating appropriations in aid arising from the sale of fixed assets, including land and buildings and repayment of loans from the Trading Funds.

Departmental Expenditure Limits and administration costs limits

As announced to the House of Commons, the Resource DEL has been increased by £277,224,000 from £18,865,444,000 to £19,142,668,000: the Capital DEL has been increased by £110,620,000 from £5,731,525,000 to £5,842,145,000 and the Net Cash requirement has increased by £729,844,000 from £26,091,927,000 to £26,821,771,000.

| Resources | | Capital | |
|------------------|----------------|----------------|---------------|
| Change | 277,224,000 | Change | 110,620,000 |
| New DEL | 19,142,668,000 | New DEL | 5,842,145,000 |
| of which: | | of which: | |
| Voted | 18,752,958,000 | Voted | 5,765,717,000 |
| Non Voted | 389,710,000 | Non Voted | 76,428,000 |

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

| | |
|---|---------------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 1,395,807,000 |
|---|---------------|

Department for International Development

Introduction

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

RfR 1: Eliminating Poverty in Poorer Countries

- i) a transfer of £40,000,000 resource from the Unallocated Subhead (RfR1: E3) to the Bilateral Subhead (RfR1: A3);
- ii) to give effect to the transfer of £3,700,000 resource from the Central Reserve as a contribution to the Commonwealth Education Fund (RfR1: Subhead A3);
- iii) to give effect to the take up of DEL end year flexibility of £28,757,000 resource (discretionary) on programme expenditure (RfR1: Subhead A3);
- iv) a transfer of £20,000 resource to the Home Office representing a contribution to membership of the Group of States Against Corruption (GRECO) (RfR1: Subhead B3).

RfR 2 Conflict Prevention

- v) a transfer of £5,000,000 resource from the Foreign and Commonwealth Office to Global Conflict Prevention (RfR2: Subhead B3).
2. As a result of all changes there is an increase in Net Cash Requirement of £37,437,000.
 3. Symbols are explained in the Introduction to this booklet.

Part I

£

| | |
|--|-------------------|
| RfR1: Eliminating Poverty in Poorer Countries | 32,437,000 |
| RfR2: Conflict Prevention | 5,000,000 |
| Total Net Resource Requirement | 37,437,000 |
| Additional Net Cash Requirement | 37,437,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Department for International Development on:

RfR1: Eliminating poverty in Poorer Countries

International development under the International Development Act 2002, including financial and technical assistance to governments, institutions, voluntary agencies and individuals; capital and other subscriptions and contributions, including payments under guarantee to multilateral development banks and other international and regional bodies; emergency, refugee and other relief assistance; pensions and allowances in respect of overseas service including contributions to pension funds (including payments under the Overseas Pensions Act 1973, and grants in lieu of pensions); global environment assistance; payments to United Nations Educational, Scientific and Cultural Organisation (UNESCO); administration, related capital expenditure and other administrative costs; costs involved in the development of a public/private partnership with CDC Capital Partners; payments (under the authority of the European Communities Act 1972) to certain beneficiaries of the Gibraltar Social Insurance Fund; and associated non-cash items.

RfR2: Conflict Prevention

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

The **Department For International Development** will account for this Estimate.

Part II: Changes proposed

| | | | | | | £'000 |
|--|-------------------------------------|--------------------------|---------------------------------|---------------------|-------------------------------|----------------------|
| Resources | | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | New Net Provision |
| RfR1: Eliminating Poverty in Poorer Countries | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR1 – A | Bilateral Development Assistance | 1,490,804 | 72,457 | – | 72,457 | 1,563,261 |
| RfR1 – B | Multilateral Development Assistance | 451,080 | –20 | – | –20 | 451,060 |
| RfR1 – E | Unallocated | 50,000 | –40,000 | – | –40,000 | 10,000 |
| Total RfR1 | | | 32,437 | – | 32,437 | |
| RfR2: Conflict Prevention | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2 – B | Global – Programme Expenditure | 13,900 | 5,000 | – | 5,000 | 18,900 |
| Total RfR2 | | | 5,000 | – | 5,000 | |
| Total Changes to RfRs | | | 37,437 | – | 37,437 | |

| | Present Provision | Change in Provision | £'000 New Provision |
|-----------------------------|----------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 61,963 | – | 61,963 |
| Non-Operating A-in-A | 47,601 | – | 47,601 |
| Net Cash Requirement | 2,528,185 | 37,437 | 2,565,622 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|---------------|----------------|------------------|------------------|--------------|------------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1: Eliminating poverty in poorer countries | 97,869 | 151,634 | 2,319,834 | 2,569,337 | 5,333 | 2,564,004 | 61,963 | 47,601 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A Bilateral development assistance | – | – | 1,563,894 | 1,563,894 | 633 | 1,563,261 | – | 27,978 |
| ★B Multilateral development assistance | – | – | 451,160 | 451,160 | 100 | 451,060 | 39,525 | 19,320 |
| ★C Administration | 75,586 | 2,000 | – | 77,586 | 4,600 | 72,986 | 22,438 | 23 |
| ★D Certain beneficiaries of the Gibraltar Social Insurance Fund | – | 8,000 | – | 8,000 | – | 8,000 | – | – |
| ★E Unallocated | – | – | 10,000 | 10,000 | – | 10,000 | – | – |
| ★F Public/Private Partnership with the CDC Capital Partners | 1,000 | – | – | 1,000 | – | 1,000 | – | – |
| ★G Crown Agents Loan repayments | – | – | – | – | – | – | – | 280 |
| ★H Anti money-laundering | – | – | 1 | 1 | – | 1 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| I Bilateral development assistance | – | 82,851 | – | 82,851 | – | 82,851 | – | – |
| J Multilateral development assistance | – | 58,783 | 294,779 | 353,562 | – | 353,562 | – | – |
| K Administration | 21,283 | – | – | 21,283 | – | 21,283 | – | – |
| RfR02: Conflict Prevention | – | – | 40,654 | 40,654 | – | 40,654 | – | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| A Sub-Saharan Africa Conflict Prevention | – | – | 21,754 | 21,754 | – | 21,754 | – | – |
| B Global Conflict Prevention | – | – | 18,900 | 18,900 | – | 18,900 | – | – |
| Total | 97,869 | 151,634 | 2,360,488 | 2,609,991 | 5,333 | 2,604,658 | 61,963 | 47,601 |

Part II: Resource to Cash Reconciliation

| | <u>Present</u> | <u>Increase (+)/ Decrease (-)</u> | <u>Revised</u> |
|--|------------------|---------------------------------------|------------------|
| | | | £000 |
| Net total Resources | 2,567,221 | 37,437 | 2,604,658 |
| Voted capital items | | | |
| Capital expenditure | 61,963 | – | 61,963 |
| Less non-operating A in A | <u>47,601</u> | <u>–</u> | <u>47,601</u> |
| Total net voted capital | 14,362 | – | 14,362 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | 146,258 | – | 146,258 |
| Depreciation | 16,925 | – | 16,925 |
| New provisions and adjustments to previous positions | | | |
| Other non-cash items | 70 | – | 70 |
| Increase (+)/decrease (-) in debtors | – | – | – |
| Increase (-)/decrease (+) in creditors | – | – | – |
| Increase (-)/decrease (+) in provisions | 109,855 | – | 109,855 |
| Use of provisions | <u>–</u> | <u>–</u> | <u>–</u> |
| Total accruals to cash adjustments | -53,398 | – | -53,398 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 2,528,185 | 37,437 | 2,565,622 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | | £'000 2002-03 provision |
|---------------------------------------|-----------|-------------------------------|
| Net Administration Costs | | |
| RfR1 | 93,269 | |
| RfR2 | — | |
| Total Net Administration Costs | | 93,269 |
| Net Programme Costs | | |
| RfR1 | 2,470,735 | |
| RfR2 | 40,654 | |
| Non-voted expenditure | 811,000 | |
| Total Net Programme Costs | | 3,322,389 |
| Total Net Operating Cost | | 3,415,658 |
| <i>of which:</i> | | |
| Net Resource Outturn | | 2,619,658 |
| CFERs | | —15,000 |
| Non-voted expenditure | | 811,000 |
| Resource Budget Outturn | | 3,415,658 |

Notes to the Estimate

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|------------------|
| | 2002-03 |
| | provision |
| Net Resource Outturn (Estimates) | 2,619,658 |
| <i>Adjustments for:</i> | |
| Non-voted expenditure in the OCS | 811,000 |
| Consolidated Fund extra receipts (CFERs) in the OCS | -15,000 |
| Net Operating Costs (Accounts) | 3,415,658 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Receipts (CFERs) | - |
| Full resource consumption of public corporations | - |
| Voted expenditure outside the budget: Paymaster | - |
| Other adjustments | - |
| Resource Budget Outturn (Budget) | 3,415,658 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 2,985,612 |
| Annually Managed Expenditure (AME) | 430,046 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|----------------|
| | 2002-03 |
| | provision |
| Net Voted Capital Outturn (Estimates) | 14,362 |
| Full capital expenditure of public corporations | - |
| Other adjustments: gain/loss from sale of capital assets | - |
| Movement in provisions | 376,984 |
| Capital Budget Outturn (Budget) | 391,346 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 391,346 |
| Annually Managed Expenditure (AME) | - |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Department for International Development, Suma Chakrabarti, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate: "Request for Resources 1: Eliminating Poverty in Poorer Countries", and "Request for Resources 2: Conflict Prevention".

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in *Government Accounting*.

Departmental Expenditure Limits and Administration Cost Limit

As announced to the House of Commons the Department for International Development DEL will change as follows:

| Resources | | Capital | |
|------------------|-----------|----------------|---------|
| Change | 37,432 | Change | – |
| New DEL | 2,985,612 | New DEL | 391,346 |
| of which: | | of which: | |
| Voted | 2,146,962 | Voted | 14,362 |
| Non Voted | 838,650 | Non Voted | 376,984 |

Cash which may be retained to offset expenditure

| | |
|--|-------------|
| | £000 |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income which has been or will be appropriated in aid | £52,934,000 |

Analysis of Appropriations in Aid

| | £'000 | |
|--|-------------------|----------------------|
| | 2002–03 Provision | |
| | Operating A-in-A | Non-operating A-in-A |
| RFR1: Eliminating poverty in Poorer Countries | – | 27,298 |
| Loan repayments | – | – |
| Guarantee refunds from European Investment Bank | 100 | – |
| Administrative costs recoveries | 4,500 | 23 |
| Recovery of EBRD Director's salary | 100 | – |
| Crown Agents Loan repayment | – | 280 |
| Receipts from overseas governments | 633 | – |
| Income from CDC Group plc | – | 20,000 |
| Total RFR1 | 5,333* | 47,601** |
| Total A in A | 5,333 | 47,601 |

***Amount that may be applied as appropriations-in-aid in addition to the net total, arising from:** receipts from overseas governments in respect of bilateral country and sector programmes; recoveries of contributions to widows' and orphans' pension schemes taken over by the UK; refunds of payments made under UK guarantees to the EIB, and recoveries in respect of administration including the EBRD Executive Directors' salary.

****Amount that may be applied as non-operating appropriations-in-aid arising from:** repayments of loans given to Crown Agents; capital repayments of development assistance loans, income from a debenture issued to DFID by CDC Group plc and income from the disposal of fixed assets.

Department of Trade and Industry

Introduction

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

RfR1

- i) to increase by £2,430,000 the gross expenditure and receipts relating to the Small Firms Loan Guarantee Scheme (subheads A2 and A5);
- ii) to utilise £5,892,000 from the unused balance of the Department's end-year flexibility entitlement for the Small Business Service Invest to Save Local Competitiveness project (subhead A2);
- iii) to utilise £10,480,000 resource and £1,400,000 capital from the unused balance of the Department's end-year flexibility entitlement for Rover Task Force (subheads A2 and A7);
- iv) to utilise £40,000 from the Capital Modernisation Fund in respect of the Evidence Based Policy Fund project (subhead A2);
- v) to make a virement of £40,000 from Regional Development Agency Grant in Aid to record increased Departmental expenditure on the Evidence Based Policy Fund project (subheads U3 and A2);
- vi) to transfer £105,000 from the Department of Environment, Food and Rural Affairs in relation to the Farm Business Advice Service (subhead A1);
- vii) to increase by £7,500,000 the gross expenditure and receipts relating to the Farm Business Advice Scheme (subheads A2 and A5);
- viii) to utilise £3,250,000 for the Capital Modernisation Fund project for business.gov (subhead A7);
- ix) to utilise £520,000 from the unused balance of the Department's end-year flexibility entitlement and make a transfer of this amount to the Department for Education and Skills for MG Rover training (subhead A3);
- x) to transfer £156,000 to British Trade International in respect of Japan Electronics Business Association and Pacific Rim Electronics Business Association (subhead A2);
- xi) to utilise £2,000,000 from the unused balance of the Department's end-year flexibility entitlement in respect of the transfer of £2,000,000 to British Trade International for UK Global Partnerships – Knowledge Economy White Paper (subhead A2);
- xii) to utilise £15,000,000 from the Departmental Unallocated Provision for the Partnership Fund (Partnership at Work with the TUC & CBI) (subhead A3);
- xiii) to transfer £400,000 to the National Assembly for Wales for Manufacturing Advice Service for Regional Centre for Manufacturing Excellence in Wales (subhead A3);
- xiv) to transfer £116,000 from the Department for Education and Science for the Marine Skills Database Project (subhead A3);
- xv) to increase the gross provision for grant in aid to Regional Development Agencies by £22,133,000 and increase appropriations in aid by an equivalent amount to reflect additional receipts from several other government departments (mainly the Office of the Deputy Prime Minister (subheads U3 and A5);

- vi) to utilise £10,000,000 capital from the unused balance of the Department's end-year flexibility entitlement for University Innovation Centres (subheads A3 and A7);
- xvii) to utilise £4,600,000 from the unused balance of the Department's end-year flexibility entitlement for additional funding to Ofcom (subhead A3);
- xviii) to transfer £30,000 to the Home Office for Crimes Against Business (subhead A3);
- xix) to transfer £30,000 to the Department for Education and Science for Support for Enterprising Communities (subhead A3);
- xx) to reclassify £88,793,000 receipts from other government Departments in relation to the Regional Development Agencies (subheads U5 and A8);
- xxi) to transfer £2,538,000 to the Scottish Executive for innovative schemes to extend broadband networks (subhead A3);
- xxii) to transfer £1,335,000 to the National Assembly for Wales for innovative schemes to extend broadband networks (subhead A3);
- xxiii) to reclassify £702,000 in respect of the European Policy Programme (subheads A2 and C2);
- xxiv) to utilise £10,100,000 from the unused balance of the Department's end-year flexibility entitlement to offset a shortfall in launch aid receipts (subhead B8);
- xxv) to increase the Department's capital budget by £650,000,000 (gross) and zero net to provide for a repayable loan to British Energy (subheads B7 and B8);
- xxvi) to record a Cost of Capital Charge of £20,000 in relation to the British Energy loan (subhead M3);
- xxvii) to record the receipt of interest of £20,000 in relation to the British Energy loan (subhead AC5);
- xxviii) to utilise £14,400,000 from the unused balance of the Department's end-year flexibility entitlement for ISERBS (subhead B2);
- xxix) to utilise £48,500,000 from the unused balance of the Department's end-year flexibility entitlement for the Rolls Royce Trent 600 and 900 projects (subhead B7);
- xxx) to utilise £48,500,000 from the reserve for the Rolls Royce Trent 600 and 900 projects (subhead B7);
- xxxi) to transfer £100,000 in relation to Invest UK DTI Funded Overseas Slots to the FCO (subhead C1);
- xxxii) to utilise £2,000,000 from the unused balance of the Department's end-year flexibility entitlement for Oracle iii (subhead C2);
- xxxiii) to transfer £225,000 to the Scottish Executive in connection with Stop Now Orders (New Burdens) (subhead C2);
- xxxiv) to utilise £2,000,000 from the unused balance of the Department's end-year flexibility entitlement to increase the department's subscription to the International Atomic Energy Agency (subhead C2);
- xxxv) to utilise £1,100,000 from the unused balance of the Department's end-year flexibility entitlement to fund increased expenditure on the Partnership Training Fund manufacturing package (subhead C2);
- xxxvi) to utilise £1,300,000 from the unused balance of the Department's end-year flexibility entitlement to fund increased expenditure on the National Minimum Wage (subhead C2);
- xxxvii) to utilise £2,700,000 from the unused balance of the Department's end-year flexibility entitlement to fund increased expenditure on Parental Leave (subhead C7);

- xxxviii) to utilise £2,000,000 from the unused balance of the Department's end-year flexibility entitlement to fund increased expenditure on duty to consider flexible working (subhead C2);
- xxxix) to utilise £700,000 from the unused balance of the Department's end-year flexibility entitlement for the Employment Tribunals Service (subhead C7);
- xl) to utilise £233,000 from the unused balance of the Department's end-year flexibility entitlement for the Employment Tribunals Service Capital Modernisation Fund project (subhead C7);
- xli) to utilise £900,000 from the unused balance of the Department's end-year flexibility entitlement for additional legal costs (subhead C2);
- xlii) to utilise £348,000 resource and £10,000 capital from the unused balance of the Department's end-year flexibility entitlement transferred from the Department for Education and Science for the Work-life Balance Invest to Save project (subheads C3 and C7);
- xliii) to utilise £8,900,000 gross (£8,700,000 net) from the unused balance of the Department's end-year flexibility entitlement to make an agreed programme to administration virement in support of ACAS, the Insolvency Service, coal health claims and the Office of Civil Nuclear Security (subheads C1 and C5);
- xliv) to utilise £1,500,000 from the unused balance of the Department's end-year flexibility entitlement to make an agreed programme to administration virement in support of the establishment of the Liabilities Management Authority (subhead C1);
- xlv) to utilise £4,500,000 from the unused balance of the Department's end-year flexibility entitlement in support of the establishment of the Liabilities Management Authority (subhead C2);
- xlvi) to utilise £256,000 in administration costs from the Capital Modernisation Fund in respect of the Evidence Based Policy Project (subhead C1);
- xlvii) to utilise £548,000 of Invest to Save funding for Claims Handling in the Redundancy Payments Scheme (CHIRPS) (subhead C1);
- xlviii) to increase by £1,733,000 the gross expenditure and receipts relating to Employment Relations programmes to enable the Department to utilise deferred income received from the European Social Fund (subheads C2 and C5);
- xlix) to transfer £3,230,000 in administration costs, £200,000 in programme and £7,005,000 in grant in aid to reflect Machinery of Government transfers from the Cabinet Office in respect of Women and Equality and the Equal Opportunities Commission (subheads C1, C2, U3 and AG5);
- l) to increase by £50,000 the gross expenditure on consultancy advice in connection with the Coal Authority (subhead D2) to be offset by an equivalent increase in appropriations in aid from Coal Operating Subsidy recoveries (subhead D5);
- li) to utilise £300,000 from the unused balance of the Department's end-year flexibility entitlement to fund National Weights and Measures Laboratory market development (subhead F2);
- lii) to transfer from capital to administration £3,319,000 in connection with British Trade International to fund IT development under the ELGAR PFI contract (subheads J1 and J7);
- liii) to record the notional audit fee of £243,000 for the Main Estimate (subhead L1);
- liv) to make a virement of £5,000,000 from grant in aid to the Regional Development Agencies to departmental capital for accommodation (subheads U3 and C7);

- lv) to transfer £15,000 from the Departmental Unallocated Provision to fund a grant to the UK Science Parks Association (subhead U3);
- lvi) to utilise £6,700,000 from the unused balance of the Department's end-year flexibility entitlement to increase Grant in Aid to the Coal Authority for minewater liabilities (subhead V3);
- lvii) to utilise £14,300,000 from the unused balance of the Department's end-year flexibility entitlement for the Competition Commission (subhead V3);
- lviii) to utilise £300,000 from the unused balance of the Department's end-year flexibility entitlement to increase Grant in Aid to SITPRO (subhead V3);
- lix) to record an increase in Annually Managed Expenditure of £425,000 in relation to London Development Agency Corporation Tax (subhead AF3);
- lx) to increase Annually Managed Expenditure by £250,000 to record the costs of a Bulk Transfer of Pension Liabilities to the Principal Civil Service Pension Scheme (subhead AD3);
- lxi) to reclassify £5,000 in recoveries of coal health claim overpayments (subheads D5 and AE5)

RfR2

- i) to utilise £25,000 from the Departmental Unallocated Provision to increase Grant to the Royal Society for the foot and mouth enquiry (subhead B3);
- ii) to transfer £13,000 from OST Initiatives to the Royal Society, for the Rosalind Franklin awards (subheads B3 and E3);
- iii) to utilise £9,076,000 from the unused balance of the Department's end-year flexibility entitlement for Knowledge Transfer (subhead F3);
- iv) to transfer £75,000 to the Department of Health for Human Genetic Research (subhead J1);
- v) to record an increase of £152,000 in cost of capital for nuclear fusion (subhead K3);
- vi) to utilise £4,150,000 from the unused balance of the Departmental Unallocated Provision and £1,023,000 from the Department's end-year flexibility entitlement for increased grant in aid to the Engineering and Physical Sciences Research Council (subhead N3);
- vii) to utilise £8,000,000 from the Department's end-year flexibility entitlement to make an agreed capital to resource virement for the Medical Research Council (subhead O3);
- viii) to utilise £712,000 from the Department's end-year flexibility entitlement to increase grant in aid for the Medical Research Council (subhead O3);
- ix) to utilise £10,266,000 from the unused balance of the Department's end-year flexibility entitlement to increase grant in aid for the Natural Environment Research Council (subhead P3);
- x) to record an increase in cash grant in aid of £1,700,000 to the Natural Environment Research Council (subhead P3);
- xi) to utilise £6,142,000 from the unused balance of the Department's end-year flexibility entitlement to increase grant in aid for the Particle Physics and Astronomy Research Council (subhead Q3);
- xii) to utilise £3,750,000 from the Departmental Unallocated Provision to increase grant in aid for the Council for the Central Laboratory of the Research Councils (subhead R3);
- xiii) to utilise £87,399,000 from the unused balance of the Department's end-year flexibility entitlement for the Joint Infrastructure Fund (subhead U3);

RfR1/RfR2

- i) to record a transfer of £40,000 from RfR 1 (subhead A3) to RfR2 (subhead E3) in respect of promotional activities in relation to DNA.
- ii) There is also a utilisation of the unused balance of the Department's end-year flexibility entitlement to increase non-voted expenditure of the Biotechnology and Biological Sciences Research Council by £83,000, a reclassification from Departmental Expenditure Limit to Annually Managed Expenditure of £357,400,000 in relation to coal health claims and £399,895,000 in relation to coal pension fund surpluses, and an increase in the Net Cash Requirement of £520,000,000 to fund increased expenditure on health claims; an increase in non-Voted DEL expenditure on liabilities of £27,700,000 (£20,100,000 on the Coal Operating Subsidy, £2,000,000 on Enemy Property Claims, £2,900,000 on coal redundancy packages and £2,700,000 on compensation to trawlermen) offset by AME release of provisions.
- iii) As a result of all these changes there is an increase in the Net Cash Requirement of £878,522,000.
- iv) DTI issues overall resource-based budgets and makes payments of Grant in Aid to the Regional Development Agencies (RDAs). ODPM, DfES, DEFRA and BTI will contribute by supplying resources which DTI will appropriate in aid. DTI will manage the resources centrally, with payments to the RDAs being authorised and certified by the Government Offices for the Regions (GOs). The eight Regional Development Agencies (excluding London) are currently expected to receive £80,796,000 of receipts from the private sector and local authorities. They are entitled to use receipts up to a total of £216,955,000. Receipts over and above that level will be treated as appropriations in aid for which Parliamentary approval will be needed, or surrendered to the Consolidated Fund as extra receipts.
- v) Symbols are explained in the Introduction to this booklet.

Part I

£

| | |
|--|--------------------------------|
| RfR1: Increasing UK Competitiveness | 186,276,000 |
| RfR2: – Increasing Scientific Excellence in the UK and Maximising its Contribution to Society | 132,360,000 |
| Total net resource requirement | 318,636,000 |
| Additional net cash requirement | 878,522,000[†] |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Department of Trade and Industry on:

RfR1 – Increasing UK Competitiveness

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

RfR2 – Increasing Scientific Excellence in the UK and Maximising its Contribution to Society

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

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

[†] £650m has been advanced from the Contingencies Fund to provide cash in respect of the service provided for under subhead B7.

Part II: Changes proposed

| Resources | Present Net Provision | Change in Gross provision | Change in A in A | Change in Net Provision | £000 New Net Provision | |
|--|--|---------------------------|------------------|-------------------------|---------------------------|---------|
| RfR1: Increasing UK competitiveness | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR1 – A | Promotion of enterprise, innovation and increased productivity and associated administration costs | 221,373 | 46,672 | 32,063 | 14,609 | 235,982 |
| RfR1 – B | Measures related to industrial industries and related programmes | 9,417 | 14,400 | – | 14,400 | 23,817 |
| RfR1 – C | Legal and regulatory framework and markets and associated administration costs | 394,371 | 30,892 | 1,933 | 28,959 | 423,330 |
| RfR1 – D | Net expenses relating to coal provisions | –10,057 | 50 | 45 | 5 | –10,052 |
| RfR1 – *F | Net controlled Agencies and suppliers of Departmental central services | –13,050 | 300 | – | 300 | –12,750 |
| RfR1 – *J | British Trade International administration costs | 32,049 | 3,319 | – | 3,319 | 35,368 |
| Spending in Annually Managed Expenditure (AME) | | | | | | |
| <i>Non-cash items</i> | | | | | | |
| RfR1 – L | Promotion of enterprise, innovation and increased productivity and associated administration costs | 2,332 | 243 | – | 243 | 2,575 |
| RfR1 – M | Measures relating to individual industries and related programmes | 81,809 | 20,000 | – | 20,000 | 101,809 |
| Other spending outside Departmental Expenditure Limits | | | | | | |
| RfR1 – U | Promotion of enterprise, innovation and increased productivity and associated administration costs | 784,504 | 17,108 | –88,793 | 105,901 | 890,405 |
| RfR1 – V | Legal and regulatory framework and markets and associated administration costs | 102,344 | 28,305 | – | 28,305 | 130,649 |
| Spending in Annually Managed Expenditure | | | | | | |
| RfR1 – AC | Measures relating to individual industries and related programmes | – | – | 20,000 | –20,000 | –20,000 |
| RfR1 – AD | Bulk transfer of pension liabilities to the Principal Civil Service Pension Scheme | – | 250 | – | 250 | 250 |
| RfR1 – AE | Net Expenses related to coal provisions | – | – | 5 | –5 | –5 |
| RfR1 – AF | Promotion of enterprise, innovation and increased productivity | – | 425 | – | 425 | 425 |
| Other spending outside Departmental Expenditure Limits | | | | | | |
| RfR1 – AG | Machinery of Government Changes – Contra Entry – Transfers from the Cabinet Office | – | – | 10,435 | –10,435 | –10,435 |
| Total RfR1 | | | 161,964 | –24,312 | 186,276 | |
| RfR2: Increasing Scientific Excellence in the UK and Maximising its contribution to Society | | | | | | |
| Spending in Departmental Expenditure Limits | | | | | | |
| RfR2 – B | Royal Society | 28,745 | 38 | – | 38 | 28,783 |
| RfR2 – E | OST Initiatives | 3,100 | 27 | – | 27 | 3,127 |
| RfR2 – F | Knowledge Transfer | 30,001 | 9,076 | – | 9,076 | 39,077 |
| RfR2 – J | Administration costs etc relating to the Transdepartmental Science and Technology Group | 6,637 | –75 | – | –75 | 6,562 |
| Spending in Annually Managed Expenditure | | | | | | |
| RfR2 – K | Nuclear Fusion | –151 | 152 | – | 152 | 1 |
| OTHER EXPENDITURE OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | |
| RfR2 – N | Engineering and Physical Sciences Research Council | 468,361 | 5,173 | – | 5,173 | 473,534 |
| RfR2 – O | Medical Research Council | 371,136 | 8,712 | – | 8,712 | 379,848 |
| RfR2 – P | Natural Environment Research Council | 201,720 | 11,966 | – | 11,966 | 213,686 |
| RfR2 – Q | Particle Physics and Astronomy Research Council | 223,026 | 6,142 | – | 6,142 | 229,168 |
| RfR2 – R | Council for the Central Laboratory of the Research Councils | 9,677 | 3,750 | – | 3,750 | 13,427 |
| OTHER EXPENDITURE OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS | | | | | | |
| RfR2 – U | Joint Infrastructure Fund | 6,063 | 87,399 | – | 87,399 | 93,462 |
| Total RfR2 | | | 132,360 | – | 132,360 | |
| TOTAL CHANGES TO RfRs | | | 294,324 | –24,312 | 318,636 | |

| Capital and Cash | Present Net Provision | Change in Provision | £'000 New Provision |
|-----------------------------|-----------------------|---------------------|------------------------|
| Total Capital Expenditure | 231,898 | 761,274 | 993,172 |
| Non-Operating A-in-A | 122,442 | 728,693 | 851,135 |
| Net cash requirement | 4,320,794 | 878,522 | 5,199,316 |

Part II: Revised subhead detail, including additional provision

| | Resources | | | | | Capital | | | £'000 |
|---|----------------|----------------|------------------|------------------|------------------|------------------|----------------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| RfR 1: Increasing UK Competitiveness | 509,915 | 385,382 | 3,253,059 | 4,148,356 | 1,554,734 | 2,593,622 | 992,974 | 850,987 | |
| Spending in Departmental Expenditure Limits | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★ A. Promotion of enterprise, innovation and increased productivity and associated administration costs | 136,308 | 513,743 | 145,152 | 795,203 | 559,221 | 235,982 | 79,833 | 92,268 | |
| ★ B. Measures relating to individual industries and related programmes | – | 25,099 | – | 25,099 | 1,282 | 23,817 | 884,205 | 754,730 | |
| ★ C. Legal and regulatory framework and markets and associated administration costs | 251,825 | 195,218 | 37,372 | 484,415 | 61,085 | 423,330 | 15,821 | 3,435 | |
| ★ D. Net expenses relating to coal provisions | – | 126 | – | 126 | 10,178 | –10,052 | – | – | |
| ★ E. Developing post offices to provide access to official services/information and the Internet | – | 70,000 | – | 70,000 | – | 70,000 | – | – | |
| ★ F. Net controlled agencies and suppliers of Departmental central services | 51,991 | 10,699 | – | 62,690 | 75,440 | –12,750 | 12,615 | – | |
| ★ G. European Regional Development Fund and other Community Programmes (including Leader Network Project) | – | 227 | 1,500 | 1,727 | 133 | 1,594 | – | – | |
| ★ H. European Regional Development Fund (non-discretionary) | – | 3,500 | – | 3,500 | – | 3,500 | – | – | |
| ★ I. Other European Community expenditure | – | 1 | – | 1 | – | 1 | – | – | |
| ★ J. British Trade International administration costs | 35,368 | – | – | 35,368 | – | 35,368 | 450 | – | |
| <i>Support for Local Authorities</i> | | | | | | | | | |
| ★ K. Promotion of enterprise, innovation and increased productivity and associated administration costs | – | – | 127,434 | 127,434 | 127,433 | 1 | – | – | |
| Spending in Annually Managed Expenditure | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| L. Promotion of enterprise, innovation and increased productivity and associated administration costs | 8,250 | –5,675 | – | 2,575 | – | 2,575 | – | – | |
| M. Measures relating to individual industries and related programmes | – | 19 | 101,790 | 101,809 | – | 101,809 | – | – | |
| N. Legal and regulatory framework and markets and associated administration costs | 16,615 | 6,605 | – | 23,220 | – | 23,220 | – | – | |
| O. Expenses relating to nuclear provisions | – | –430,967 | 626,999 | 196,032 | – | 196,032 | – | – | |
| P. Net expenses relating to coal provisions | – | – | 468,768 | 468,768 | – | 468,768 | – | – | |
| Q. Net controlled agencies and suppliers of Departmental central services | 9,558 | – | – | 9,558 | – | 9,558 | – | – | |
| R. European Regional Development Fund and other Community Programmes (including Leader Network Project) | – | –11 | – | –11 | – | –11 | – | – | |
| S. European Regional Development Fund (non-discretionary) | – | 420 | – | 420 | – | 420 | – | – | |
| T. British Coal Corporation External Finance | – | – | 372 | 372 | – | 372 | – | – | |

Part II: Revised subhead detail, including additional provision (continued)

| | Resources | | | | | | Capital | | £'000 |
|--|---------------|---------------|------------------|------------------|----------|------------------|------------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| U. Promotion of enterprise, innovation and increased productivity and associated administration costs | – | -3,306 | 1,551,322 | 1,548,016 | 657,611 | 890,405 | – | – | |
| V. Legal and regulatory framework and markets and associated administration costs | – | – | 130,649 | 130,649 | – | 130,649 | – | – | |
| W. Expenses relating to nuclear provisions | – | – | 35,078 | 35,078 | – | 35,078 | – | – | |
| X. Loans to and repayment from trading funds | – | – | – | – | – | – | – | 551 | |
| Y. ERDF and other Community Programmes receipts (including Leader Network Project) | – | – | – | – | 7,944 | -7,944 | – | – | |
| Z. European Community Programme receipts | – | – | – | – | 365 | -365 | – | – | |
| AA. Petroleum Licensing and Royalties | – | – | 23,600 | 23,600 | 23,599 | 1 | – | – | |
| AB. Privatisation expenses and refunds of pension adjustments | – | -741 | 2,773 | 2,032 | 3 | 2,029 | – | 3 | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| AC. Measures relating to individual industries and related programmes | – | – | – | – | 20,000 | -20,000 | – | – | |
| AD. Bulk transfer of pension liabilities to the Principal Civil Service Pension Scheme | – | – | 250 | 250 | – | 250 | – | – | |
| AE. Net expenses relating to coal provisions | – | – | – | – | 5 | -5 | – | – | |
| <i>Support for Local Authorities</i> | | | | | | | | | |
| AF. Promotion of enterprise, innovation and increased productivity and associated administration costs | – | 425 | – | 425 | – | 425 | – | – | |
| Other spending outside Departmental Expenditure Limits | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| AG. Machinery of Government Changes – Contra Entry – Transfers from the Cabinet Office | – | – | – | – | 10,435 | -10,435 | – | – | |
| RfR 2: Increasing scientific excellence in the UK and maximising its contribution to society | 10,196 | 43,256 | 1,959,293 | 2,012,745 | 1 | 2,012,744 | 198 | 148 | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★ A. Research Councils' Pension Scheme | – | 28,450 | – | 28,450 | – | 28,450 | – | – | |
| ★ B. The Royal Society | – | – | 28,783 | 28,783 | – | 28,783 | – | – | |
| ★ C. The Royal Academy of Engineering | – | – | 4,770 | 4,770 | – | 4,770 | – | – | |
| ★ D. Nuclear Fusion | – | 14,630 | – | 14,630 | – | 14,630 | – | – | |
| ★ E. OST Initiatives | – | – | 3,128 | 3,128 | 1 | 3,127 | – | – | |
| ★ F. Knowledge Transfer | – | – | 39,077 | 39,077 | – | 39,077 | – | – | |
| ★ G. Cambridge/Massachusetts Institute of Technology Institute | – | – | 14,000 | 14,000 | – | 14,000 | – | – | |
| ★ H. Foresight Link Awards | – | – | 3,000 | 3,000 | – | 3,000 | – | – | |
| ★ I. Administration costs etc relating to the Science and Engineering Base Group | 3,634 | – | – | 3,634 | – | 3,634 | 63 | 49 | |
| ★ J. Administration costs etc relating to the Transdepartmental Science and Technology Group | 6,562 | – | – | 6,562 | – | 6,562 | 135 | 99 | |

Part II: Revised subhead detail, including additional provision (continued)

| Resources | | | | | | | Capital | | £'000 |
|--|----------------|----------------|------------------|------------------|------------------|------------------|----------------------|----------------|-------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | |
| Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| K. Nuclear Fusion | – | 1 | – | 1 | – | 1 | – | – | |
| Other spending outside Departmental EXpenditure Limits (DEL) | | | | | | | | | |
| L. Biotechnology and Biological Sciences Research Council | – | – | 241,510 | 241,510 | – | 241,510 | – | – | |
| M. Economic and Social Research Council | – | – | 82,963 | 82,963 | – | 82,963 | – | – | |
| N. Engineering and Physical Sciences Research Council | – | – | 473,534 | 473,534 | – | 473,534 | – | – | |
| O. Medical Research Council | – | – | 379,848 | 379,848 | – | 379,848 | – | – | |
| P. Natural Environment Research Council | – | – | 213,686 | 213,686 | – | 213,686 | – | – | |
| Q. Particle Physics and Astronomy Research Council | – | – | 229,168 | 229,168 | – | 229,168 | – | – | |
| R. Council for the Central Laboratory of the Research Councils | – | – | 13,427 | 13,427 | – | 13,427 | – | – | |
| S. Council for the Central Laboratory of the Research Councils – Diamond Synchrotron | – | – | 20,000 | 20,000 | – | 20,000 | – | – | |
| T. Science Research Investment Fund | – | – | 118,937 | 118,937 | – | 118,937 | – | – | |
| U. Joint Infrastructure Fund | – | – | 93,462 | 93,462 | – | 93,462 | – | – | |
| V. Fees payable under the Animals (Scientific Procedures) Act 1986 | – | 175 | – | 175 | – | 175 | – | – | |
| TOTAL | 520,111 | 428,639 | 5,212,352 | 6,161,101 | 1,554,735 | 4,606,366 | 993,172 | 851,135 | |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (–) | Revised | £'000 |
|---|------------------|-------------------------------|------------------|-------|
| Net Total Resources | 4,287,730 | 318,613 | 4,606,366 | |
| Voted Capital items: | | | | |
| Capital | 231,898 | 761,264 | 993,172 | |
| Less Non-operating A in A | 122,442 | 728,693 | 851,135 | |
| | 109,456 | 32,581 | 142,037 | |
| Accruals to cash adjustments: | | | | |
| Capital charges | 332,636 | –20,152 | 312,484 | |
| Depreciation | –18,287 | – | –18,287 | |
| New provisions and adjustments to previous provisions | –1,093,548 | – | –1,093,548 | |
| Other non-cash items | – | –243 | –243 | |
| increase(+)/decrease(–) in stock | – | – | – | |
| increase(+)/decrease(–) in debtors | –5,000 | – | –5,000 | |
| increase(+)/decrease(–) in creditors | – | – | – | |
| Use of provisions | 707,807 | 547,700 | 1,255,507 | |
| Total accruals to cash adjustments | –76,392 | 527,305 | 450,913 | |
| Excess cash to be CFERd | – | – | – | |
| Net Cash requirement | 4,320,794 | 878,522 | 5,199,316 | |

Part III: Extra Receipts payable to the Consolidated Fund (£000)

As in existing provision.

Forecast Operating Cost Statement

| | £'000 |
|---------------------------------------|-------------------|
| | 2002-03 |
| | Provision |
| Net Administration Costs | |
| Request for Resources 1 | 414,715 |
| Request for Resources 2 | <u>10,196</u> |
| Total Net Administration Costs | 424,911 |
| Net Programme Costs | |
| Request for Resources 1 | 1,762,621 |
| Request for Resources 2 | 2,002,548 |
| National Insurance Fund | <u>222,826</u> |
| Total Net Programme costs | 3,987,995 |
| TOTAL NET OPERATING COST | 4,4312,906 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 4,412,906 |
| CFERs | -416,286 |
| Non-voted expenditure | 222,826 |
| RESOURCE BUDGET OUTTURN | 3,902,123 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 Provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 4,606,366 |
| <i>Adjustments for:</i> | |
| Non-voted expenditure in the OCS | 222,826 |
| * Remove income scored as Consolidated Fund Extra Receipts in the Operating Cost Statement (OCS) | -416,286 |
| Net Operating Costs (Accounts) | 4,412,906 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts | 5,591 |
| Full resource consumption of non- departmental public bodies | -724,401 |
| Full resource consumption of public corporations | -207,924 |
| Capital grants to the private sector and local authorities | 158,198 |
| European Union income and related adjustments | 235,917 |
| Other voted non-budget items, mainly privatisation and petroleum licencing | 1,101 |
| Unallocated resource provision | 10,300 |
| Remove transfers from other government Departments as a result of Machinery of Government changes | 10,435 |
| Resource Budget Outturn (Budget) | 3,902,123 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 3,722,729 |
| Annually Managed Expenditure (AME) | 179,394 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 Provision |
|---|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 142,037 |
| <i>Adjustments for:</i> | |
| Full capital expenditure by non-departmental public bodies | 906,916 |
| Full capital expenditure by public corporations and trading funds | 961,121 |
| Capital grants to the private sector, local authorities and public corporations | -41,198 |
| Unallocated capital provision | 25,636 |
| Other adjustments (removal of voted capital non-budget items) | 3 |
| Capital Budget Outturn (Budget) | 1,994,515 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | 1,040,515 |
| Annually Managed Expenditure (AME) | 954,000 |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of the Department of Trade and Industry, Mr Robin Young, as Accounting Officer for the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|----------------------|-------------------------------|
| | 2002-03 Provision | |
| | Operating A in A* | Non- operating A in A** |
| RfR 1 – Increasing UK Competitiveness | | |
| Administration costs related to the promotion of enterprise, innovation and increased productivity | 2,230 | 3,475 |
| Small Firms' Loan Guarantee Scheme | 11,380 | – |
| Innovation | 4,250 | – |
| Telecommunications and posts | 3,278 | – |
| Space | 57 | – |
| Small Business Service | 1 | – |
| Farm Business Advice Service | 7,500 | – |
| Receipts from DTLR for RDAs | 941,293 | 88,793 |
| Receipts from DTLR for LDA | 247,082 | – |
| Receipts from Department of Education and Skills for RDAs | 39,443 | – |
| Receipts from Department of Education and Skills for LDA | 7,581 | – |
| Receipts from British Trade International for RDAs | 9,108 | – |
| Receipts from British Trade International for LDA | 1,145 | – |
| Receipts from DEFRA for RDAs | 62,658 | – |
| Exchange Risk Guarantee Scheme | 55 | – |
| National Selective Assistance | 479 | – |
| British Energy repayable credit facility | – | 650,000 |
| Aerospace and Launch Aid | – | 104,730 |
| Shipbuilding | 748 | – |
| Administration costs related to legal and regulatory framework and markets | 11,998 | 3,435 |
| Employment Relations | 1,733 | – |
| Non-nuclear receipts of a regulatory nature | 12,730 | – |
| Non-nuclear receipts directly related to creation of open markets | 198 | – |
| Spectrum Efficiency | 4,000 | – |
| Consumer Protection | 109 | – |
| Postwatch | 7,009 | – |
| Trade Policy | 10 | – |
| External Legal Receipts | 202 | – |
| Coal Subsidence & Arbitration | 76 | – |
| Ring-fenced Coal Health Liabilities | 5 | – |
| Non-ring-fenced Coal Health Liabilities | 10,052 | – |
| Coal Operating Subsidy recoveries | 50 | – |
| Interest on loan to British Energy | 20,000 | – |
| Leader Network Project | 133 | – |
| Regional Selective Assistance | 250 | – |
| European Regional Development Fund receipts | 7,944 | – |
| European Community Receipts | 365 | – |
| Petroleum Licensing | 23,599 | – |
| Privatisation Receipts | 3 | 3 |
| Machinery of Government Changes - transfer from the Cabinet Office | 10,435 | – |
| | 1,449,189 | 850,436 |
| On Vote Agencies | | |
| Insolvency Service | 30,000 | – |
| Employment Tribunals Service | 105 | – |
| Radiocommunications | 73,640 | – |
| NWML | 724 | – |
| Other Govt Depts | 1,076 | – |
| | 105,545 | – |
| Trading Funds | | |
| Companies House | – | 385 |
| Patent Office | – | 166 |
| | – | 551 |
| Total RfR1 | 1,554,734 | 850,987 |
| RfR 2 - Increasing scientific excellence in the UK and maximising its contribution to society | | |
| OST initiatives | 1 | – |
| Administrative Costs | – | 148 |
| Total RfR2 | 1 | 148 |
| Total A in A | 1,554,189 | 851,135 |

RfR 1 – Increasing UK Competitiveness

*Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income from the European Union/ECSC and income relating to Regional Selective Assistance, flexible business support measures, the Small Business Service, Business Link Operators, Small Firms Loan Guarantee and other small firm support schemes, receipts from the Department of Environment, Food and Rural Affairs in respect of the Farm Business Advice Service, trade policy, e-commerce, energy and coal, innovation and technology support schemes, sectoral support, receipts from the Office of the Deputy Prime Minister, Department of Environment, Food and Rural Affairs, the Department for Education and Skills and British Trade International in relation to the Regional Development Agencies and the London Development Agency, the exchange risk guarantee scheme, national selective assistance to industry, the Office of Civil Nuclear Security, fees to advisers on privatisation and the BNFL Public Private Partnership, and expenditure in the following areas: telecommunications, including licence fees, posts, civil aircraft research and demonstration, aerospace, private sector shipbuilding, redundant steelworkers, space, consumer and investor protection, employment relations including the promotion of Work-Life Balance, support for the construction industry, privatisation and the sale of shares, petroleum licensing and royalties; legal services, consultancy, publications, secondments, departmental administration costs, central services, European Fast Stream, executive agencies and trading funds, including radio licence fees received by the Radiocommunications Agency; receipts from the Postal Services Commission and Office of Gas and Electricity Markets to cover the costs of the relevant Consumer Councils; receipts in connection with the coal subsidence adviser and the coal operating subsidy; the receipt of distributions from coal industry pension schemes other than distribution of surpluses; income from the Department of Transport, Local Government and the Regions in respect of the Framework V helpline; miscellaneous receipts from other Government Departments and other income from the Office of Gas and Electricity Markets.

**Amount that may be applied as non-operating appropriations in aid, arising from the recovery of income from the sales of fixed assets and from sale of land by the Department and its executive agencies, the repayment of loans to the aerospace industry and of loans to the trading funds and British Energy.

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

*Amount that may be applied as appropriations in aid in addition to the net total, and income relating to administration costs and OST activities.

**Amount that may be applied as non-operating appropriations in aid, arising from the recovery of income from the sales of fixed assets and from sale of land.

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Secretary of State for Trade and Industry to the House of Commons the Resource Departmental Expenditure Limit will change as follows:

| Resources | | Capital | |
|------------------|-----------|----------------|-----------|
| Change | 187,346 | Change | 218,879 |
| New DEL | 3,722,729 | New DEL | 1,040,515 |
| of which: | | of which: | |
| Voted | 1,142,958 | Voted | -15,607 |
| Non Voted | 2,579,771 | Non Voted | 1,056,122 |

The Administration Costs limit has been increased by £17,483,000 from £405,704,000 to £423,187,000.

Cash which may be retained to offset expenditure £000

Cash which may be retained by the Department to offset expenditure in the year due to its relationship with income that has or will be appropriated in aid 2,407,870

Grants in Aid and International Subscriptions

A number of grants in aid and international subscriptions in excess of £1 million are borne on these Requests for Resources (RfRs).

For RfR1 grants in aid are provided to the Advisory, Conciliation and Arbitration Service (£36,617,000); the National Association of Citizen's Advice Bureaux (£16,876,000); Citizen's Advice Scotland (£2,800,000); the National Consumer Council (£3,200,000); the Gas and Electricity Consumer Council (£12,000,000), Postwatch (£7,010,000); the Design Council (£6,500,000); the Competition Commission (£26,144,000); the Coal Authority (£25,400,000); Regional Development Agencies (£1,308,172,000); the United Kingdom Atomic Energy Authority (£35,078,000), the Equal Opportunities Commission (£7,005,000), and the Simpler Trade Procedures Board (£1,000,000).

For RfR2 grants in aid are provided to the Biotechnology and Biological Sciences Research Council (£241,510,000), the Economic and Social Research Council (£82,963,000), the Engineering and Physical Sciences Research Council (£473,534,000), the Medical Research Council (£379,848,000), the Natural Environment Research Council (£213,686,000), the Particle Physics and Astronomy Research Council (£229,168,000), the Council for the Central Laboratory of the Research Councils (£13,427,000) and the Council for the Central Laboratory of the Research Councils for Diamond Synchrotron (£20,000,000)

For RfR1 relevant international subscriptions are the European Space Agency; the World Trade Organisation; the International Telecommunications Union; the Universal Postal Union; the International Atomic Energy Agency; and the Organisation for the Prohibition of Chemical Weapons.

For RfR2 relevant international subscriptions are paid to the Institute Laue-Langevin and European Synchrotron Radiation Facility, (by EPSRC), International Agency for Research on Cancer, Human Frontier Science Programme, European Molecular Laboratory European Molecular Biology Conference (by MRC); European Organisation for Nuclear Research, European Incoherent Scatter Facility, European Space Agency and Anglo Australian Telescope, European Southern Observatory (by PPARC), Ocean Drilling Programme (by NERC), and European Science Foundation (by EPSRC, MRC and PPARC).

Expenditure resting on the sole authority of the Appropriation Act

The following sub-heads contain provision sought under the sole authority of Part I of the Estimates and of the confirming Appropriation Act

Insert appropriate solid square symbol

RfR1 Subhead B 7

| | |
|---------------------|----------|
| British Energy loan | £650,000 |
|---------------------|----------|

RfR1 Subhead C 2

| | |
|--|------------|
| Trade Policy and Non-Proliferation: current expenditure. BNFL Public Private Partnership – advisers' fees | £7,553,000 |
|--|------------|

RfR1 Subhead C 4

| | |
|--|-------------|
| Trade Policy and Non-Proliferation: international subscriptions | £19,766,000 |
|--|-------------|

RfR1 Subhead W 3

| | |
|------------------------|------------|
| Grant-in-Aid to SITPRO | £1,000,000 |
|------------------------|------------|

RfR1 Subhead AB 2

| | |
|---|----------|
| Expenses incurred in connection with privatisation of the nuclear power, electricity and coal industries | £741,000 |
|---|----------|

British Trade International

Introduction

1. This Supplementary Estimate gives effect to the following change in provision relating to:
 - (i) a transfer of £2,000,000 in resources from the Department of Trade and Industry to British Trade International in respect of the Global Partnerships programme;
 - (ii) a transfer of £156,000 in resources from the Department of Trade and Industry to British Trade International in respect of PREBA/JEBA;
 - (iii) take-up of £1,551,000 of End Year Flexibility entitlement.
2. As a result of the change there is an increase in the Net Cash Requirement of £3,707,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

RfR 1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment. £
3,707,000

Total net resource requirement

Additional net cash requirement 3,707,000

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by British Trade International on:

RfR 1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment

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

British Trade International will account for this Estimate.

Part II Changes proposed

| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | £'000 New Net Provision |
|--|--------------------------|---------------------------------|---------------------|-------------------------------|-------------------------------|
| Resources | | | | | |
| RfR 1 : Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A Trade development and promotion and inward investment | 92,131 | 3,707 | – | 3,707 | 95,838 |
| Total RfR1 | | 3,707 | – | 3,707 | 95,838 |

| | Present Net Provision | Change in Provision | £'000 New Provision |
|-----------------------------|--------------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 248 | – | 248 |
| Non-Operating A-in-A | – | – | – |
| Net cash requirement | 92,379 | 3,707 | 96,086 |

Part II: Revised subhead detail including additional provision

£'000

| | Resources | | | | | Capital | | |
|---|-----------|---------------|---------------|---------------|--------------|---------------|------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR 01 : Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment | – | 85,070 | 12,930 | 98,000 | 2,084 | 95,916 | 248 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A Trade development and promotion and inward investment ■ | – | 84,992 | 12,930 | 97,922 | 2,084 | 95,838 | 248 | – |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| B Trade development and promotion and inward investment | – | 78 | – | 78 | – | 78 | –339 | –352 |
| Total | – | 85,070 | 12,930 | 98,000 | 2,084 | 95,916 | 248 | – |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | £'000 Revised |
|---|---------------|-------------------------------|------------------|
| Net Total Resources | 92,209 | 3,707 | 95,916 |
| Voted Capital Items | | | |
| Capital Expenditure | 248 | – | 248 |
| less: non-operating A-in-A | – | – | – |
| Total net voted capital | 248 | – | 248 |
| Accruals to cash adjustments: | | | |
| Cost of capital charges | 139 | – | 139 |
| Depreciation | –217 | – | –217 |
| New provisions and adjustments to previous provisions | – | – | – |
| Other non-cash items | – | – | – |
| increase(+)/decrease(-) in stock | – | – | – |
| increase(+)/decrease(-) in debtors | – | – | – |
| increase(+)/decrease(-) in creditors | – | – | – |
| use of provisions | – | – | – |
| | –78 | – | –78 |
| Total accruals to cash adjustments | | | |
| Excess cash to be CFER'd | | | |
| Net cash requirement | 92,379 | 3,707 | 96,086 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | £'000 2002-03 Provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | – |
| RfR1 | – |
| Total Net Administration costs | – |
| Net Programme Costs | |
| RfR1 | 95,916 |
| Total Net Programme costs | 95,916 |
| TOTAL NET OPERATING COST | 95,916 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 95,916 |
| CFER's Non-voted expenditure | |
| RESOURCE BUDGET OUTTURN | 95,916 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 95,916 |
| <i>Adjustments for:</i> | |
| Non-voted expenditure in the OCS | |
| Consolidated Fund extra receipts (CFERs) in the OCS | 95,916 |
| Net Operating Costs (Accounts) | |
| Resource Budget Outturn (Budget) | 95,916 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 95,838 |
| Annually Managed Expenditure (AME) | 78 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 provision |
|--|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 248 |
| Capital Budget Outturn (Budget) | 248 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 248 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Group Chief Executive of British Trade International, Sir Stephen Brown, as Accounting Officer of British Trade International with responsibility for preparing British Trade International's Estimate for programme expenditure.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding British Trade International's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|---|---------------------|-----------------------------|
| | Operating A in A | Non- operating A in A |
| 2002-03 Provision | | |
| RfR 1: Enhanced competitiveness of companies in the UK through overseas sales and investment and a continuing high level of quality foreign and direct investment. | | |
| trade development and promotion and inward investment | 2,084 | – |
| Total RfR1 | 2,084* | – |

*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from trade promotion and development activities.

Departmental Expenditure Limits

As announced to the House of Commons the British Trade International's DEL will change as follows.

| Resources | | Capital | |
|------------------|--------|------------------|-----|
| Change | 3,707 | Change | – |
| New DEL | 95,838 | New DEL | 248 |
| <i>of which:</i> | | <i>of which:</i> | |
| New DEL | 95,838 | New DEL | 248 |
| Voted | 95,838 | Voted | 248 |
| Non voted | – | Non voted | – |

Expenditure resting on the sole authority of the Appropriation Act

| | |
|--|-------|
| RfR1 Trade development and promotion and inward investment ■ | 3,707 |
|--|-------|

Cash which may be retained to offset expenditure

| | £'000 |
|--|-------|
| Cash which may be retained by British Trade International to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 2,084 |

Export Credits Guarantee Department

Introduction

1. This Winter Supplementary Estimate does not have any impact on Departmental Expenditure Limits.
2. This Supplementary Estimate is required to provide additional funding for interest equalization agreements with lending banks under the Fixed Rate Export Finance Scheme (FREF); the refinancing programme currently undertaken by the Guaranteed Export Finance Corporation (GEFCO), a private sector company which operates on behalf of ECGD; and ECGD's trading operations (credit insurance and other support activities for exporters including cover against certain risks for new direct overseas investment and tender to contract cover/foreign exchange supplement cover).
3. The specific areas for which additional funding is required are as follows:
 - i) FREF: to provide extra resources of £38.8m net to cover the costs of unwinding interest rate swaps (used to hedge the cost of interest make-up (IMU) on fixed rate export finance (FREF) loans no longer required when loans are refinanced. The gross cost is £54.8m which is partially offset by an increase in IMU income due to the reduced interest rates producing savings on floating rate payments (£30m). Also to cover an amortisation charge of £14m per annum over 14 years for the cost of hedging prepayment options on elements of ECGD's portfolio.
 - ii) GEFCO: to provide extra capital resources of £141.2m to cover reduced anticipated non-operating income. To also provide resources of £11.6m to cover an anticipated increase in cost of capital charges arising from the GEFCO loan repayment profile differing from that originally forecast. £10.9m of this is offset by a reduced capital charge within trading operations.
 - iii) Trading Operations: the increased gross requirement results from a combination of increased claims paid provisions, an increase in net recovery costs in respect of aircraft repossessions because of delays in securing new finance to pay for leases, owing to market conditions, and the inclusion of Active Portfolio Management premiums. The net provision remains a token £1,000 because income in respect of these operations continues to far exceed expenditure.
4. As a result of all changes there is an increase in ECGD's net cash requirements of £56,577,000.
5. Symbols are explained in the introduction to this booklet.

Part I

£

| | |
|--|-------------------|
| RfR1: Export Finance Assistance | 50,356,000 |
| RfR2: Trading Operations | 1,000 |
| Total net resource requirement | 50,357,000 |
| Additional net cash requirement | 56,577,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Export Credits Guarantee Department on:

RfR1: Export Finance Assistance

Interest support to banks and other lenders of export finance, grants towards financing of exports to match foreign competition, the funding of the refinancing programme, and on associated non-cash items.

RfR2: Trading Operations

Export credit guarantees given in the national interest or to render economic assistance to overseas countries, overseas investment insurance, tender to contract / forward exchange supplement cover, residual commitments under discontinued facilities, the cost escalation scheme, expenses relating to the active management of the portfolio, trading and administration expenses, and on associated non-cash items.

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

Part II: Changes proposed

| | | | | | £'000 |
|---|-----------------------|---------------------------|------------------|-------------------------|-------------------|
| Resources | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | New Net Provision |
| RfR1: Export Finance Assistance | | | | | |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| RfR1 – A Fixed Rate Export Finance (FREF) | 51,600 | 68,800 | 30,000 | 38,800 | 90,400 |
| Other Spending outside Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – B GEFCO loans and interest equalisation | 175,032 | 11,556 | – | 11,556 | 186,588 |
| Total RfR1 | | 80,356 | 30,000 | 50,356 | |
| RfR2: Trading Operations | | | | | |
| Other Spending outside Departmental Expenditure Limits | | | | | |
| RfR2: – D Export Credits | –23,372 | 44,359 | 55,973 | –11,614 | –34,986 |
| RfR2: – E Overseas Investment Insurance | –7,700 | – | 300 | –300 | –8,000 |
| RfR2: – F Active Portfolio Management | 85 | 11,915 | – | 11,915 | 12,000 |
| Total RfR2 | | 56,274 | 56,273 | 1 | |
| TOTAL CHANGES TO RfRs | | 136,630 | 86,273 | 50,357 | |

| | Present Provision | Change in Provision | £'000 New Provision |
|-----------------------------|-------------------|---------------------|------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 1,001,160 | – | 1,001,160 |
| Non-Operating A in A | 584,200 | –141,200 | 443,000 |
| Net Cash Requirement | 368,583 | 56,577 | 425,160 |

Part II : Revised subhead detail including additional provision

| | Resources | | | | | Capital | | £'000 |
|--|-----------|---------------|---------|-------------|---------|-----------|-----------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR 1: Export Finance Assistance | – | 260,900 | 186,588 | 447,488 | 170,500 | 276,988 | 1,000,000 | 443,000 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| Central Government Spending | | | | | | | | |
| A Fixed Rate Export Finance (FREF) | – | 223,800 | – | 223,800 | 133,400 | 90,400 | – | – |
| Other Spending outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| B GEFCO loans and interest equalisation | – | 37,100 | 186,588 | 223,688 | 37,100 | 186,588 | 1,000,000 | 443,000 |
| RfR 2: Trading Operations | – | 147,327 | 175,100 | 322,427 | 322,425 | 2 | 1,160 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government spending | | | | | | | | |
| ★ A Administration | – | – | – | – | – | – | 1,160 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| Central Government Spending | | | | | | | | |
| B Administration | – | 798 | – | 798 | – | 798 | – | – |
| Other Spending outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| C Admin – Running Costs | – | – | 30,190 | 30,190 | – | 30,190 | – | – |
| D Export Credits | – | 146,529 | 132,910 | 279,439 | 314,425 | –34,986 | – | – |
| E Overseas Investment Insurance | – | – | – | – | 8,000 | –8,000 | – | – |
| F Active Portfolio Management | – | – | 12,000 | 12,000 | – | 12,000 | – | – |
| TOTAL | – | 408,227 | 361,688 | 769,915 | 492,925 | 276,990 | 1,001,160 | 443,000 |

Part II: Resource to cash reconciliation

| | | | £000 |
|---|-----------------|-------------------------------|-----------------|
| | Present | Increase (+)/ Decrease (-) | Revised |
| Net total resources | 226,633 | 50,357 | 276,990 |
| Voted capital items: | | | |
| Capital | 1,001,160 | – | 1,001,160 |
| Less: non-operating A in A | 584,200 | –141,200 | 443,000 |
| | 416,960 | 141,200 | 558,160 |
| Total net voted capital | | | |
| Accruals to cash adjustments | | | |
| Capital charges | –332,628 | –705 | –333,333 |
| Depreciation | –582 | – | –582 |
| New provisions and adjustments to previous provisions | –66,300 | –46,200 | –112,500 |
| Other non-cash items | | | |
| Cash Adjustment for Unrecovered Claims | 111,500 | –84,100 | 27,400 |
| Increase(+)/Decrease(-) in stock | | | |
| Increase(+)/Decrease(-) in debtors | –9,500 | 40,000 | 30,500 |
| Increase(-)/Decrease(+) in creditors | 22,500 | –27,500 | –5,000 |
| Excess cash to be CFERd | – | –16,475 | –16,475 |
| | –275,010 | –134,980 | –409,990 |
| Net cash requirement | 368,583 | 56,577 | 425,160 |

Part III: Extra receipts payable to the Consolidated Fund

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

| | £'000 | | | |
|---|--------------------|----------------|----------------|---------------|
| | Present Provisions | | New Provisions | |
| | Income | Receipts | Income | Receipts |
| Operating income not classified as A in A | 185,039 | 185,039 | 16,475 | 16,475 |
| Non-operating income not classified as A in A | – | – | – | – |
| Other income not classified as A in A | – | – | – | – |
| TOTAL | 185,039 | 185,039 | 16,475 | 16,475 |

Forecast Operating Cost Statement

| | £'000 2002–03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | – |
| RfR2 | – |
| Total Net Administration Costs | |
| Net Programme Costs | |
| RfR1 | 260,513 |
| RfR2 | 2 |
| Total Net Programme Costs | 276,990 |
| TOTAL NET OPERATING COST | 276,990 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 276,900 |
| CFERs | –16,475 |
| Non-voted expenditure | – |
| RESOURCE BUDGET OUTTURN | 91,198 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------|
| | 2002-03 |
| | Provision |
| Net Resource Outturn (Estimates) | 276,990 |
| <i>Adjustments for:</i> | |
| Non-voted expenditure in the OCS | - |
| Consolidated Fund Extra Receipts in the OCS | -16,475 |
| Provision voted for earlier years | - |
| Other adjustments | - |
| Net Operating Costs (Accounts) | 260,515 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts | 16,475 |
| Voted expenditure outside the budget | -185,792 |
| Resource Budget Outturn (Budget) | 91,198 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | - |
| Annually Managed Expenditure (AME) | 91,198 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|------------------|
| | 2002-03 |
| | Provision |
| Net Voted Capital Outturn (Estimates) | 558,160 |
| <i>Other adjustments</i> | |
| Capital Budget Outturn | 1,001,160 |
| <i>Of which:</i> | |
| Departmental Expenditure Limit (DEL) | 1,160 |
| Annually Managed Expenditure (AME) | - |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Chief Executive of the Export Credits Guarantee Department, Mr Vivian Brown, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|---------------------|-----------------------------|
| | 2002-03 Provision | |
| | Operating A-in-A | Non- operating A-in-A |
| RfR1: Export Finance Assistance | | |
| Interest make-up receipts | 170,500 | – |
| Repayments of loan principal | – | 443,000 |
| Total RfR1 | 170,500 | 443,000 |
| RfR2: Trading Operations | | |
| Premium and moratorium interest income | 322,425 | – |
| Total RfR2 | 322,425 | – |
| TOTAL A in A | 492,925* | 443,000** |

* 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, premium and moratorium interest.

** Amount that may be applied as non-operating appropriations in aid in addition to the net total, arising from repayment of loan capital.

Analysis of extra receipts payable to the Consolidated Fund

| | £'000 | |
|---------------------------------|-------------------|---------------|
| | 2002-03 provision | |
| | Income | Receipts |
| Loan repayments (interest only) | 16,475 | 16,475 |
| Voted Payment | – | – |
| TOTAL | 16,475 | 16,475 |

Departmental Expenditure Limits and administration costs limits

As a result of this Supplementary Estimate there be no change to the Departmental Expenditure Limit.

Cash which may be retained to offset expenditure

| | |
|--|---------|
| | £000 |
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid. | 961,425 |

Office of Fair Trading

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - (i) To give effect to the take up of resource DEL end year flexibility of £77,000 in respect of the ring-fenced Invest to Save Budget approved by Parliament.
 - (ii) Provide for a sum of £4,668,000 to meet the liability to creditors outstanding 31 March 2002.
 - (iii) Provide for a decrease of £717k in Appropriations in Aid, resulting from a reduction in expected income from Competition Act notifications and recovered legal fees, the departure of minor occupiers from the building, and the end to the provision of common services to other departments. In addition, to reflect changes in accounting policy on EC receipts to bring OFT in line with other government departments.
2. As a result of these changes there is an increase in the Net Cash Requirement of £4,745,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

| | £ |
|--|------------------|
| RfR1: Advancing and safeguarding the economic interests of UK consumers | 77,000 |
| Total net resource requirement | 77,0000 |
| Additional net cash requirement | 4,745,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Office of Fair Trading on:

RfR1: Advancing and safeguarding the economic interests of UK consumers administrative and operational costs, and associated non-cash items.

The **Office of Fair Trading** will account for this Estimate.

Part II: Changes proposed

| | | | | | £'000 |
|--|-----------------------|---------------------------|------------------|-------------------------|-------------------|
| Resources | Present net provision | Change in gross provision | Change in A-in-A | Change in net provision | New net provision |
| RfR1: Advancing and safeguarding the economic interests of UK consumers | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1A | 48,157 | -640 | -717 | 77 | 48,234 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| Total RfR1 | | -640 | -717 | 77 | |
| TOTAL Changes To RfRs | | -640 | -717 | 77 | |

| | | | £'000 |
|-----------------------------|-----------------------|---------------------|---------------|
| Capital and Cash | Present Net Provision | Change in Provision | New Provision |
| Total Capital Expenditure | 2,398 | – | 2,398 |
| Non-Operating A-in-A | – | – | – |
| Net Cash requirement | 50,768 | 4,745 | 55,513 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 |
|--|---------------|---------------|----------|---------------|------------|---------------|--------------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| RfR1: Advancing and safeguarding the economic interests of UK consumers | | | | | | | | | |
| | 51,131 | 650 | – | 51,781 | 761 | 51,020 | 2,398 | – | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Govt spending</i> | 48,345 | 650 | – | 48,995 | 761 | 48,234 | 2,398 | – | |
| ★A Administration Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | 2,763 | – | – | 2,763 | – | 2,763 | – | – | |
| B Administration Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| C Refunds | 23 | – | – | 23 | – | 23 | – | – | |
| Total | 51,131 | 650 | – | 51,781 | 761 | 51,020 | 2,398 | – | |

Part II: Resource to Cash Reconciliation

| | £'000 | | |
|--|---------------|-------------------------------|---------------|
| | Present | Increase (+)/ Decrease (–) | Revised |
| Net Total resources | 50,943 | 77 | 51,020 |
| Voted Capital items: | | | |
| Cost of Capital Expenditure | 2,398 | – | 2,398 |
| less: non-operating A in A | – | – | – |
| | 2,398 | – | 2,398 |
| Accruals to cash adjustments: | | | |
| Capital charges | –547 | – | –547 |
| Depreciation | –2,216 | – | –2,216 |
| New provisions and adjustments to previous provisions | – | – | – |
| Other non-cash items | –16 | – | –16 |
| increase(+)/decrease(–) in stock | – | – | – |
| increase(+)/decrease(–) in debtors | 31 | – | 31 |
| increase(+)/decrease(–) in creditors | 175 | – | 175 |
| increase(+)/decrease(–) in provisions use of provisions | – | 4,668 | 4,668 |
| Total accruals to cash adjustments | –2,573 | 4,668 | 2,095 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 50,768 | 4,745 | 55,513 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | £'000 |
|---------------------------------------|----------------------|
| | 2002-03 Provision |
| Net Administration Costs | |
| RfR1 | 50,370 |
| Total Net Administration Costs | 50,370 |
| Net Programme Costs | |
| RfR1 | -5575 |
| Total Net Programme Costs | -5575 |
| TOTAL NET OPERATING COSTS | 44,795 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 51,020 |
| CFERs | -6225 |
| Non-voted expenditure | - |
| RESOURCE BUDGET OUTTURN | 51,008 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|--|----------------------|
| | 2002-03 Provision |
| Net Resource Outturn (Estimates) | 51,020 |
| <i>Adjustment for:</i> | |
| Non-voted expenditure in the OCS | - |
| Consolidated Fund Extra Receipts in the OCS | -6,225 |
| Net Operating Costs (Accounts) | 44,795 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts (CFERs) | 6,225 |
| European union income and related adjustments | 11 |
| Voted expenditure outside the budget: Prior Year Licence refunds | -23 |
| Resource Budget Outturn (Budget) | 51,008 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 48,245 |
| Annually Managed Expenditure (AME) | 2,763 |

Reconciliation of Capital expenditure between Estimates and Budgets

| | £'000 |
|--|----------------------|
| | 2002-03 Provision |
| Net Voted Capital Outturn (Estimates) | 2,398 |
| Capital Budget Outturn (Budget) | 2,398 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 2,398 |
| Annually Managed Expenditure (AME) | - |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Director General of OFT, John Vickers, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|---------------------|-----------------------------|
| | Provision 2002-03 | |
| | Operating A in A | Non- operating A in A |
| RfRI: Advancing and safeguarding the economic interests of UK consumers | | |
| Recovered Legal Costs | 10 | – |
| Competition Act Notification Fees | 30 | – |
| Minor Occupiers Rental Income | 721 | – |
| TOTAL RfRI | 761* | – |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of legal costs, Competition Act notification fees and rental income from minor occupiers.

Departmental Expenditure Limit and Administration Costs Limits

As announced to the House of Commons the Office of Fair Trading DEL will change as follows:

| Resources | | Capital | |
|-----------|--------|-----------|-------|
| Change | 77 | Change | – |
| New DEL | 48,245 | New DEL | 2,398 |
| of which: | | of which: | |
| Voted | 48,245 | Voted | 2,398 |
| Non Voted | – | Non Voted | – |

The administration costs limits will be increased by £77,000 from £48,985,000 to £49,062,000.

Cash which may be retained to offset expenditure

| | £'000 |
|---|------------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 761 |

Office of Telecommunications

Introduction

This Supplementary Estimate is required for the following purposes:

- i) to give effect to the partial take up of DEL end year flexibility of £563,000 resources on administration costs and £150,000 discretionary as set out in the Public Expenditure Outturn White Paper Cm 5574 published in July 2002.
 - ii) to reflect a compensating increase in Appropriations-in-Aid of £712,000.
2. As a result of the changes there is an increase in Net Cash Requirement of £1,000.
 3. Symbols are explained in the Introduction to this booklet.

Part I

| | £ |
|---|--------------|
| RfR 1: Providing the best possible deal for telecommunications customers through effective competition | 1,000 |
| Additional net cash requirement | 1,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Office of Telecommunications on:

RfR 1: Providing the best possible deal for telecommunications customers through effective competition; administrative and operational costs, support for the ombudsman scheme, cooperation with economic regulators overseas, management of the accreditation scheme for price comparison websites and associated non cash items.

The Office of Telecommunications will account for this Estimate.

Part II: Changes proposed

| | | £000 | | | | |
|---|-------------------|-----------------------|---------------------------|------------------|-------------------------|-------------------|
| Resources | | Present Net Provision | Change in Gross provision | Change in A in A | Change in Net Provision | New Net Provision |
| RfR 1: Providing the best possible deal for telecommunications customers through effective competition | | | | | | |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL) | | | | | | |
| RfR1 - A | Administration | -222 | 713 | 712 | 1 | -221 |
| | Total RfR1 | - | 713 | 712 | 1 | - |

| | Present Net Provision | Change in provision | £000 New Provision |
|-----------------------------|-----------------------|---------------------|-----------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 766 | - | 766 |
| Non-Operating A-in-A | - | - | - |
| Net cash requirement | 544 | 1 | 545 |

Part II : Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|---------------|---------------|----------|---------------|---------------|------------|------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR 1: Providing the best possible deal for telecommunications customers through effective competition | 18,701 | 750 | - | 19,451 | 18,691 | 760 | 766 | - |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | |
| ★A. Administration | 17,720 | 750 | - | 18,470 | 18,691 | -221 | 766 | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | |
| B. Administration | 981 | - | - | 981 | - | 981 | - | - |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| C. Administration | - | - | - | - | - | - | - | - |
| TOTAL | 18,701 | 750 | - | 19,451 | 18,691 | 760 | 766 | - |

Part II: Resource to Cash Reconciliation

| | £000 | | |
|---|----------------------|----------------------------|----------------------|
| | Present Provision | Increase + / Decrease – | Revised Provision |
| Net total Resources | | | |
| Voted capital items | 759 | 1 | 760 |
| Capital expenditure | 766 | – | 766 |
| Less non-operating A in A | – | – | – |
| Total net voted capital | 766 | – | 766 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -126 | – | -126 |
| Depreciation | -821 | – | -821 |
| New provisions and adjustments to previous provisions | -34 | – | -34 |
| Other non-cash items | -30 | – | -30 |
| Increase(+)/decrease (-) in stock | – | – | – |
| Increase(+)/decrease (-) in debtors | 55 | – | 55 |
| Increase(-)/decrease (+) in creditors | -32 | – | -32 |
| Use of provisions | 7 | – | 7 |
| Total accruals to cash adjustments | -981 | – | -981 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 544 | 1 | 545 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Costs Statement

| | £'000 2002–03 provision |
|---|-------------------------------|
| Net Administration Costs | |
| RfR1 | 10 |
| Net Programme Costs | |
| RfR1 | 750 |
| TOTAL NET OPERATING COST | 760 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 760 |
| CFERs | – |
| Non-voted expenditure: unallocated resource provision | 858 |
| Other adjustments: use of provisions | –7 |
| RESOURCE BUDGET OUTTURN | 1,611 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002–03 provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 760 |
| <i>Adjustments for:</i> | |
| Consolidated Fund Extra Receipts in the OCS | – |
| Net Operating Costs (Accounts) | 760 |
| <i>Adjustments for:</i> | |
| Unallocated resource provision | 858 |
| Other adjustments: use of provisions | –7 |
| Resource Budget Outturn (Budget) | 1,611 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 637 |
| Annually Managed Expenditure (AME) | 974 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002–03 provision |
|--|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 766 |
| Gains/losses from sale of capital assets | – |
| Unallocated capital provision | 38 |
| Capital Budget Outturn (Budget) | 804 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 804 |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Director General of Oftel, David Edmonds, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | £'000 | |
|---|-------------------|----------------------|
| | 2002–03 Provision | |
| | Operating A-in-A | Non-operating A-in-A |
| RfR 1: Providing the best possible deal for telecommunications customers through effective competition | | |
| Licence Fees | 18,450 | – |
| Sales of publications and office equipment | 2 | – |
| Co-operation with economic regulators overseas | 234 | – |
| Competition Act notification fees | – | – |
| Management of the accreditation scheme for price comparison websites | 5 | – |
| Total RfR1 | 18,6916* | – |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from licence fees, Competition Act fees, co-operation with economic regulators overseas, management of the accreditation scheme for price comparison websites and the sale of publications, obsolete office equipment and information systems.

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Secretary of State for Trade and Industry to the House of Commons the OFTEL DEL will change as follows:

| Resources | | Capital | |
|-----------|----------|-----------|---------|
| Change | 1,000 | Change | – |
| New DEL | 637,000 | New DEL | 804,000 |
| of which: | | of which: | |
| Voted | –221,000 | Voted | 766,000 |
| Non Voted | 858,000 | Non Voted | 38,000 |

The Administration Costs Limit has been increased by £563,000 from £18,015,000 to £18,578,000.

Contingent Liabilities

The Department has entered into a contract whereby consideration is required should the contract be terminated through no fault on the part of the contractor. Following a competitive tendering exercise, a company was appointed to run an opt-out scheme. It is self-financing (ie. no expenditure by Oftel) but the contract allows the contractor to recover from Oftel any loss if the contract is terminated through no fault of the contractor (for example, a change in government policy). The provision does not allow for the loss of profit and the contractor is under a duty to mitigate loss once termination notice is given. An amount of £80,000 has been identified as a potential liability.

Cash which may be retained to offset expenditure

£'000

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

18,691

Department for Environment, Food and Rural Affairs

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - (i) to take-up end-year flexibility of £23,801,000 programme resources, £10,977,000 admin resources, and £51,206,000 capital;
 - (ii) to draw down from the DEL Reserve, as agreed with the Treasury (Chief Secretary's letter of June 2002), £26,900,000 admin resources, £69,600,000 programme resources and £3,000,000 capital;
 - (iii) to take-up £2,000,000 resources on programme expenditure and £15,000,000 capital expenditure for flood defence works – being part of the £51 million Flood Defence package announced on 23 November 2000;
 - (iv) to switch £12,100,000 programme resources to administration resources, as agreed with Treasury;
 - (v) to transfer from RfR 1 to RfR 2 of £128,000,000 resources for the Rural Payments Agency (RPA) in respect of England Rural Development Plan (ERDP);
 - (vi) to transfer £70,000 programme resources to LCD for Countryside Rights of Way Act;
 - (vii) to transfer £105,000 programme resources to DTI for the Farm Business Advice Service (FBAS);
 - (viii) to take-up completed 2001-02 machinery of government transfers from the former DTLR of £37,114,000 admin resources, as agreed with Treasury;
 - (ix) to take-up £200,000 programme resources from DfT for fishermen's training.
2. As a result of all changes, plus draw-down against the FMD Provision of £180,400,000 (£7,000,000 gross admin control), there is an overall increase in Net Cash Requirement of £420,023,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

| | |
|---|--------------------|
| RfR1: 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, and to contribute to the well-being of rural and coastal communities | 47,280,000 |
| RfR2: Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible | 128,000,000 |
| Total Net Resource Requirement | 175,280,000 |
| Additional net cash Requirement | 420,023,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Department for Environment, Food and Rural Affairs on

RfR1: 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, and to contribute to the well-being of rural and coastal communities: environmental protection; support for measures which improve local environmental quality; pollution emergency response services; flood and coastal protection and land drainage; water partnership supply and sewerage services, including national security; support to the environmental protection industry for environmental technology and for measures to promote sustainable development; measures to reduce carbon dioxide emissions and improve energy efficiency, security and environmental practice; botanical services; radon measurement and support of remedial works campaigns; support for agriculture in special areas; food safety and hygiene; support for rural and regional development; assistance to production; marketing and processing in the agriculture, fisheries and food industries; assistance to the residuary Milk Marketing Board; cover for payment arising out of the Factortame group of claims following the House of Lords judgement in October 1999; emergency and strategic food services; plant health; support for the fishing industry; compensation payments to producers; grants and other financial support to voluntary bodies; support for measures to stimulate sustainable consumption of goods and services; countryside management and stewardship; conservation; national parks grants; support of countryside and wildlife initiatives; animal health and welfare; emergency measures, including foot and mouth eradication and compensation schemes; other services including emergency measures in relation to BSE; grant-in-aid to Non-Departmental Public Bodies and Public Corporations; subscriptions and contributions to international organisations; surveys, monitoring, statistics, advice and consultancies; publicity, promotion, awareness and publications; commissioned and departmental research and development; specialist support services, management and development of staff, other departmental administration costs, regional restructuring costs; EU receipts.

RfR2: Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible: giving effect in the United Kingdom to the agricultural support provisions of the Common Agricultural Policy and England Rural Development Plan of the European Union including compensation payments to producers and support for agriculture in special areas.

The Department for Environment, Food and Rural Affairs will account for this Estimate.

Part II: Changes proposed

| Resources | Present Net Provision | Change in Gross Provision | Change in A-in-A | £'000 | | |
|--|---|---------------------------|------------------|-------------------------|-------------------|---------|
| | | | | Change in Net Provision | New Net Provision | |
| RfR1 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, and to contribute to the well being of rural and coastal communities | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR1 – A | Protecting and improving rural urban and global environment (EN) | 199,496 | –30,688 | – | –30,688 | 168,808 |
| RfR1 – C | Promoting a sustainable, competitive and safe food supply chain (FS) | 123,110 | 3,200 | – | 3,200 | 126,310 |
| RfR1 – E | Improving enjoyment of an attractive and well-managed countryside (AC) | 157,482 | –42,070 | – | –42,070 | 115,412 |
| RfR1 – F | Promoting sustainable, diverse, modern and adaptable farming (AF) | 113,939 | –43,105 | – | –43,105 | 70,834 |
| RfR1 – G | Promoting management and prudent use of natural resources (NR) | 46,364 | 10,000 | – | 10,000 | 56,364 |
| RfR1 – H | Protecting public interest in relation to environmental impacts & health (PI) | 141,087 | 52,489 | – | 52,489 | 193,576 |
| RfR1 – I | Protecting public interest in relation to environmental impacts & health (PI) | 138,946 | 34,100 | – | 34,100 | 173,046 |
| RfR1 – J | Departmental Operations (DO) | 112,290 | 46,931 | – | 46,931 | 159,221 |
| RfR1 – K | Operation Costs of the Department's Executive Agencies (EA) | 90,107 | 11,560 | – | 11,560 | 101,667 |
| Other spending outside Departmental Expenditure Limits | | | | | | |
| RfR1 – Z | Promoting sustainable rural areas (SA) | 41,030 | 4,863 | – | 4,863 | 45,893 |
| Total RfR1 | | | 47,280 | – | 47,280 | |
| RfR2 Funding aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2 – Q | Protecting and improving rural , urban and global environment (EN) | – | 43,000 | – | 43,000 | 43,000 |
| RfR2 – R | Improving enjoyment of an attractive and well-managed countryside (AC) | – | 42,000 | – | 42,000 | 42,000 |
| RfR2 – S | Promoting sustainable, diverse, modern and adaptable farming (AF) | – | 43,000 | – | 43,000 | 43,000 |
| Total RfR2 | | | 128,000 | – | 128,000 | |
| TOTAL CHANGES TO RfRs | | | 175,280 | – | 175,280 | |

| Capital and Cash | £'000 | | |
|-----------------------------|-----------------------|---------------------|------------------|
| | Present Net Provision | Change in Provision | New Provision |
| Total Capital Expenditure | 160,642 | 64,343 | 224,985 |
| Non-Operating A-in-A | 9,215 | – | 9,215 |
| Net cash requirement | 2,230,676 | 420,023 | 2,650,699 |

Part II: Revised subhead detail including additional provision

£'000

| Resources | | | | | | | Capital | |
|--|----------------|----------------|----------------|------------------|---------------|------------------|----------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RFR1: 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, and to contribute to the well-being of rural and coastal communities: | 578,938 | 778,914 | 713,586 | 2,071,438 | 55,968 | 2,015,470 | 224,227 | 9,215 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★ A: Protecting and improving rural, urban and global environment (EN) | 23,643 | 123,333 | 22,348 | 169,324 | 516 | 168,808 | 42,548 | – |
| ★ B: Promoting sustainable rural areas (SA) | 16,672 | 92,885 | 41,710 | 151,267 | – | 151,267 | 536 | – |
| ★ C: Promoting a sustainable, competitive and safe food supply chain (FS) | 35,424 | 90,894 | 3,599 | 129,917 | 31,607 | 126,310 | 369 | 11 |
| ★ D: Promoting a sustainable, competitive and safe food supply chain (FS) | – | 9,052 | – | 9,052 | 300 | 8,752 | – | – |
| ★ E: Improving enjoyment of an attractive and well-managed countryside (AC) | 10,453 | 81,547 | 23,633 | 115,633 | 221 | 115,412 | 30 | – |
| ★ F: Promoting sustainable, diverse, modern and adaptable farming (AF) | 31,816 | 42,118 | 556 | 74,490 | 3,656 | 70,834 | 26,729 | 11 |
| ★ G: Promoting management and prudent use of natural resources (NR) | 10,532 | 29,071 | 16,959 | 56,562 | 198 | 56,364 | 70 | – |
| ★ H: Protecting public interest in relation to environmental impacts and health (PI) | 65,555 | 129,792 | 166 | 195,513 | 1,937 | 193,576 | 53,042 | 6 |
| ★ I: Protecting public interest in relation to environmental impacts and health (PI) | – | 174,679 | – | 174,679 | 1,633 | 173,046 | – | – |
| ★ J: Departmental operations | 161,111 | 6,704 | 431 | 168,246 | 9,025 | 159,221 | 50,661 | 9,187 |
| ★ K: Agencies | 146,175 | –10,296 | – | 135,879 | 34,212 | 101,667 | 51,842 | – |
| ★ L: Protecting and improving rural, urban and global environment (EN) | – | – | 33,587 | 33,587 | – | 33,587 | – | – |
| ★ M: Improving enjoyment of an attractive and well-managed countryside (AC) | – | – | 9,500 | 9,500 | – | 9,500 | – | – |
| ★ N: Promoting management and prudent use of natural resources (NR) | – | – | 11,588 | 11,588 | – | 11,588 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non – Cash items</i> | | | | | | | | |
| O: Protecting and improving rural, urban and global environment (EN) | 195 | 3,887 | – | 4,082 | – | 4,082 | – | – |
| P: Promoting sustainable rural areas (SA) | 40 | – | – | 40 | – | 40 | – | – |
| Q: Promoting a sustainable, competitive and safe food supply chain (FS) | 2,041 | 3,638 | – | 5,679 | – | 5,679 | – | – |
| R: Improving enjoyment of an attractive and well-managed countryside (AC) | 181 | – | – | 181 | – | 181 | – | – |
| S: Promoting sustainable, diverse, modern and adaptable farming (AF) | 10,030 | 3,639 | – | 13,669 | – | 13,669 | – | – |
| T: Promoting management and prudent use of natural resources (NR) | 181 | – | – | 181 | – | 181 | – | – |
| U: Protecting public interest in relation to environmental impacts and health (PI) | 3,062 | –2,029 | – | 1,033 | – | 1,033 | – | – |
| V: Departmental operations | 41,669 | – | – | 41,669 | – | 41,669 | – | – |
| W: Agencies | 20,158 | – | – | 20,158 | – | 20,158 | – | – |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| X: EC Receipts | – | – | –16,335 | –16,335 | 643 | –16,978 | – | – |
| Y: Protecting and improving rural, urban and global environment (EN) | – | – | 265,012 | 265,012 | – | 265,012 | – | – |
| Z: Promoting sustainable rural areas (SA) | – | – | 45,893 | 45,893 | – | 45,893 | –800 | – |
| AA: Promoting a sustainable, competitive and safe food supply chain (FS) | – | – | 16,739 | 16,739 | 8 | 16,731 | – | – |
| AB: Improving enjoyment of an attractive and well-managed countryside (AC) | – | – | 223,231 | 223,231 | – | 223,231 | –800 | – |
| AC: Promoting sustainable, diverse, modern and adaptable farming (AF) | – | – | 3,619 | 3,619 | 8 | 3,611 | – | – |
| AD: Promoting management and prudent use of natural resources (NR) | – | – | 3,274 | 3,274 | – | 3,274 | – | – |
| AE: Protecting public interest in relation to environmental impacts and health (PI) | – | – | 8,076 | 8,076 | 4 | 8,072 | – | – |

Part II: Revised subhead detail including additional provision (continued)

| Resources | | | | | | | Capital | £'000 |
|---|----------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR2: Funding of aspects of the Common Agricultural Policy and England Rural Development Plan Guarantee Section as economically, efficiently and effectively as possible | - | 2,071,678 | 703,427 | 2,775,105 | 2,407,006 | 368,099 | 158 | - |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Support for local authorities</i> | | | | | | | | |
| ★ A: Promoting a sustainable, competitive and safe food supply chain (FS) | - | - | 500 | 500 | - | 500 | - | - |
| ★ B: Promoting sustainable, diverse, modern and adaptable farming (AF) | - | - | 500 | 500 | - | 500 | - | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| C: Protecting and improving rural, urban and global environment (EN) | - | 20,478 | - | 20,478 | 8 | 20,470 | - | - |
| D: Promoting a sustainable, competitive and safe food supply chain (FS) | - | 795,223 | - | 795,223 | 4,740 | 790,483 | 79 | - |
| E: Improving enjoyment of an attractive and well-managed countryside (AC) | - | 20,478 | - | 20,478 | 8 | 20,470 | - | - |
| F: Promoting sustainable, diverse, modern and adaptable farming (AF) | - | 815,700 | - | 815,700 | 4,756 | 810,944 | 79 | - |
| G: Promoting management and prudent use of natural resources (NR) | - | 20,478 | - | 20,478 | 8 | 20,470 | - | - |
| H: Protecting public interest in relation to environmental impacts and health (PI) | - | 251,632 | - | 251,632 | 170 | 251,462 | - | - |
| <i>Support for local authorities</i> | | | | | | | | |
| I: Promoting a sustainable, competitive and safe food supply chain (FS) | - | - | 3,247 | 3,247 | - | 3,247 | - | - |
| J: Promoting sustainable, diverse, modern and adaptable farming (AF) | - | - | 3,248 | 3,248 | - | 3,248 | - | - |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| K: Promoting a sustainable, competitive and safe food supply chain (FS) | - | 9,844 | 328,892 | 338,736 | 247 | 338,489 | - | - |
| L: Promoting sustainable, diverse, modern and adaptable farming (AF) | - | 9,845 | 367,040 | 376,885 | 2,236,136 | -1,859,251 | - | - |
| M: Protecting public interest in relation to environmental impacts and health (PI) | - | - | - | - | 160,933 | -160,933 | - | - |
| N: Promoting management and prudent use of natural resources (NR) | - | - | - | - | - | - | - | - |
| O: Improving enjoyment of an attractive and well-managed countryside (AC) | - | - | - | - | - | - | - | - |
| P: Protecting and improving rural, urban and global environment (EN) | - | - | - | - | - | - | - | - |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| Q: Protecting and improving rural, urban and global environment (EN) | - | 43,000 | - | 43,000 | - | 43,000 | - | - |
| R: Improving enjoyment of an attractive and well-managed countryside (AC) | - | 42,000 | - | 42,000 | - | 42,000 | - | - |
| S: Promoting sustainable, diverse, modern and adaptable farming (AF) | - | 43,000 | - | 43,000 | - | 43,000 | - | - |
| TOTAL | 578,938 | 2,850,592 | 1,417,013 | 4,846,543 | 2,462,974 | 2,383,569 | 224,385 | 9,215 |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | £'000 Revised |
|---|------------------|-------------------------------|------------------|
| Net total Resources | 2,208,289 | 175,280 | 2,383,569 |
| Voted Capital items | | | |
| Capital Expenditure | 160,042 | 64,383 | 224,385 |
| less: non-operating A in A | 9,215 | — | 9,215 |
| | 150,827 | 64,343 | 215,170 |
| Accruals to cash adjustments: | | | |
| Cost of capital charges | -58,573 | — | -58,573 |
| Depreciation | -71,156 | — | -71,156 |
| New provisions and adjustments to previous provisions | — | — | — |
| Other non-cash items | -345 | — | -345 |
| Increase(+)/decrease(-) in stock | 760 | — | 760 |
| Increase(+)/decrease(-) in debtors | 354 | — | 354 |
| Increase(-)/decrease(+) in creditors | 520 | — | 520 |
| Use of provisions | — | 180,400 | 180,400 |
| Total accruals to cash adjustments | -128,440 | 180,400 | 51,960 |
| Excess cash to be CFERd | — | — | — |
| Net Cash Requirement | 2,230,676 | 420,023 | 2,650,699 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | 2002-03 Provision | £'000 |
|---------------------------------------|----------------------|-------|
| Net Administration Costs | | |
| RfR1 | 538,426 | |
| Total Net Administration Costs | 538,426 | |
| Net Programme Costs | | |
| RfR1 | 1,469,717 | |
| RfR2 | 352,218 | |
| Total Net Programme costs | 1,821,935 | |
| TOTAL NET OPERATING COST | 2,360,361 | |
| of which: | | |
| NET RESOURCE OUTTURN | 2,383,569 | |
| CFERs | -23,208 | |
| Non-voted expenditure | — | |
| RESOURCE BUDGET OUTTURN | 4,137,122 | |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | 2002-03 Provision £000 |
|---|------------------------------|
| Net Resource Outturn (Estimates) | 2,383,569 |
| <i>Adjustments for:</i> | |
| Consolidated Funds Extra Receipts in the OCS | -23,208 |
| Net Operating Costs (Accounts) | 2,360,361 |
| <i>Adjustments for:</i> | |
| Other Consolidated Funds Extra Receipts | 23,208 |
| Full resource consumption of non-departmental public bodies | 250,099 |
| Full resource consumption of public corporations | 68,145 |
| Capital grants to the private sector and local authorities | -280,104 |
| European Union income and related adjustments | 2,415,252 |
| Voted expenditure outside the budget: CAP/ERDP payments | -715,129 |
| Unallocated resource provision | 15,290 |
| Other adjustments: draw down of provisions | - |
| Resource Budget Outturn (Budget) | 4,137,122 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 1,842,196 |
| Annually Managed Expenditure (AME) | 2,294,926 |

Reconciliation of Capital expenditure between Estimates and Budgets

| | 2002-03 Provision £000 |
|--|------------------------------|
| Net Voted Capital Outturn (Estimates) | 215,170 |
| Full capital expenditure of non-departmental public bodies | 65,282 |
| Full capital expenditure by public corporations | 15,141 |
| Capital grants to the private sector, LAs and PCs | 280,004 |
| Local authority credit approvals | 42,323 |
| Capital Budget Outturn | 617,920 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 616,524 |
| Annually Managed Expenditure (AME) | 1,396 |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed Mr Brian Bender, Permanent Secretary, as Accounting Officer for the Department for Environment, Food and Rural Affairs, with overall responsibility for preparing the Department's Estimate. This appointment is in accordance with Section 5, sub-section 8 of the Government Resources and Accounts Act.

The Treasury has also appointed the Chief Executive of the Rural Payments Agency, Mr Johnston McNeill, as Accounting Officer for the Agency. This appointment is that of an Additional Accounting Officer in accordance with Section 5, sub-section 8 of the Government Resources and Accounts Act which deals with the appointment of Accounting Officers who have responsibility for a particular part of a departmental resource account.

The responsibilities of Accounting Officers, including responsibility for the propriety and regularity of the public finances for which the Accounting Officers are answerable, for keeping proper records and for safeguarding the Department's or Agency's assets, are set out in the Accounting Officer's Memorandum issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | | £'000 | |
|---|--|-------------------|----------------|
| | | Provision 2002-03 | |
| | | Operating | Non- |
| | | A in A | operating |
| | | A in A | A in A |
| RfR1: 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, and to contribute to the well-being of rural and coastal communities | | | |
| Detail | Economic Category | | |
| A5: Protecting and improving rural, urban and global environment | Provision of goods and services (B35) | 516 | – |
| C5: Promoting a sustainable, competitive and safe food supply chain. | Provision of goods and services (B35) | 3,497 | – |
| | Current transfers abroad (D20) | 110 | – |
| C8: Promoting a sustainable, competitive and safe food supply chain | Other receipts (G10, H20) | – | 11 |
| D5: Promoting a sustainable, competitive and safe food supply chain | Subsidies to the private sector (C10) | 300 | – |
| E5: Improving enjoyment of an attractive and well-managed countryside | Provision of goods and services (B35) | 221 | – |
| F5: Promoting sustainable, diverse, modern and adaptable farming | Provision of goods and services (B35) | 3,546 | – |
| | Current transfers abroad (D20) | 110 | – |
| F8: Promoting sustainable, diverse, modern and adaptable farming | Other receipts (G10, H20) | – | 11 |
| G5: Promoting management and prudent use of natural resources | Provision of goods and services (B35) | 198 | – |
| H5: Protecting public interests in relation to environmental impacts and health | Provision of goods and services (B35) | 1,882 | – |
| | Current transfers abroad (D20) | 55 | – |
| H8: Protecting public interests in relation to environmental impacts and health | Other receipts (G10, H20) | – | 6 |
| I5: Protecting public interests in relation to environmental impacts and health | Provision of goods and services (B35) | 1,184 | – |
| | Subsidies to the private sector (C10) | 449 | – |
| J5: Departmental Operations | Other receipts (A15) | 78 | – |
| | Provision of goods and services (B35) | 8,947 | – |
| J8: Departmental Operations | Sale of capital assets (E11) | – | 9,187 |
| K5: Agencies | Provision of goods and services (B35) | 34,212 | – |
| X5: E C Receipts | Capital grants to or from abroad (G50) | 279 | – |
| | Current transfers abroad (D20) | 364 | – |
| AA5: Promoting a sustainable, competitive and safe food supply chain | Subsidies to the private sector (G10) | 8 | – |
| AC5: Promoting sustainable, diverse, modern and adaptable farming | Subsidies to the private sector (G10) | 8 | – |
| AE5: Protecting public interests in relation to environmental impacts and health | Subsidies to the private sector (G10) | 4 | – |
| Total RfR1 | | 55,968* | 9,215** |

*Amount that may be applied as appropriations in aid in addition to the net total, arising from eligible expenditure on farm grants, monitoring of Arable Area Payments Scheme, the UK Register of Organic Food Standards, decommissioning of fishing vessels, EC Leader Programme and Sector Challenge Grants. Receipts resulting from projects under the Wider Markets Initiative. Receipts from sale of carcasses and vaccine relating to Brucellosis and Tuberculosis eradication. Receipts from fees and charges on Local Veterinary Inspectors' work, public enquiries on salmon, whaling and inland fisheries, certification testing, National List and plant breeders' rights, commissioned surveys, studies and advice. Repayments of ATB Landbase redundancy fund and loans, SFIA loan capital and refund of SFIA grants. Rental income from ATB Landbase and from land managed by the Secretary of State. Receipts in respect of the tide gauge network, work carried out by the Veterinary Laboratories Agency and NIAB Redundancy Fund. Recovery of shellfish enquiry expenses. Income from the provision of services to internal and external customers. Statutory receipts. Receipts from the sale or use of rights and assets. Rents from property. Receipts from the sale of information, including publications. Income from levies, licensing approvals, certification, inspections, registrations, supervision and extensification. Reimbursement of DEFRA expenditure, including EC receipts. Income from legal claims. Insurance recoveries. Other receipts and credits. Receipts in respect of environment protection and research (ex-DETR).

**Amount that may be applied as appropriations in aid arising from the sale of surplus land and buildings and loan repayments

Analysis of Appropriations in Aid (continued)

| | | £'000 | |
|--|---------------------------------------|-------------------|-----------|
| | | Provision 2002-03 | |
| | | Operating | Non- |
| | | A in A | operating |
| | | A in A | A in A |
| RfR2: Funding, co-ordination and implementation of aspects of the Common Agricultural Policy's Guarantee Section as economically, efficiently and effectively as possible | | | |
| Detail | Economic Category | | |
| C5: Protecting and improving rural, urban and global environment | Subsidies to the private sector (C10) | 8 | – |
| D5: Promoting a sustainable, competitive and safe food supply chain | Provision of goods and services (B35) | 4,740 | – |
| E5: Improving enjoyment of an attractive and well-managed countryside | Subsidies to the private sector (C10) | 8 | – |
| F5: Promoting sustainable, diverse, modern and adaptable farming | Provision of goods and services (B35) | 4,756 | – |
| G5: Promoting management and prudent use of natural resources | Subsidies to the private sector (C10) | 8 | – |
| H5: Protecting public interests in relation to environmental impacts | Subsidies to the private sector (C10) | 170 | – |
| K5: Promoting a sustainable, competitive and safe food supply chain | Payments to other departments (W60) | 247 | – |
| L5: Promoting sustainable, diverse, modern and adaptable farming | Current transfers abroad (D20) | 2,235,882 | – |
| | Payments to other departments (W60) | 254 | – |
| M5: Protecting public interests in relation to environmental impacts | Current transfers abroad (D20) | 160,933 | – |
| Total RfR2 | | 2,407,006* | – |

*Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income from transfers, bulletins and for receipts for CAP market support and from European Community Institutions.

Departmental Expenditure Limits and Administration Costs Limits

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

| Resources | | Capital | |
|------------------|-----------|----------------|---------|
| Change | 245,339 | Change | 77,667 |
| New DEL | 1,842,196 | New DEL | 616,524 |
| of which: | | of which: | |
| Voted | 1,475,257 | Voted | 519,141 |
| Non Voted | 366,939 | Non Voted | 97,383 |

The Administration Costs Limit has been increased by £94,091,000 from £392,599,000 to £486,690,000.

Expenditure resting on the sole authority of the Appropriation Act

The following contains sums sought under the sole authority of Part 1 of the Estimate and of the confirming Appropriation Act:

| Service | £'000 |
|--|--------------|
| RfR1 Payments for Committees and Tribunals ■ | 54 |

Cash which may be retained to offset expenditure

| | £'000 |
|---|--------------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 2,477,420 |

Forestry Commission

Introduction

1. This Supplementary Estimate is required to take up end of year flexibility of £3,605,000 on the Capital Modernisation Fund.
2. As a result of this change there is an increase in the Net Cash Requirement of £3,605,000
3. Symbols are explained in the Introduction to this booklet.

Part I

| | £ |
|---|------------------|
| RfR 1: Protecting and expanding Britain's woodlands and increasing their value to society and the environment. | 3,605,000 |
| Total net resource requirement | 3,605,000 |
| Additional net cash requirement | 3,605,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Forestry Commission on:

RfR 1: Protecting and expanding Britain's woodlands and increasing their value to society and the environment.

representation of British interests in international forestry policy matters; protection of British forests and trees from imported pests and diseases; forestry research; paying superannuation benefits to former staff; promotion and regulation of forestry activity in England through grants for new planting, replanting after felling and forest improvements, the application of forest management standards and felling controls, managing the public forest estate including planting, roading, harvesting and marketing of timber, restocking and the provision of public access and recreation; administration, recovery of VAT and associated non-cash items.

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

Part II: Changes proposed

| Resources | £'000 | | | | New net Provision |
|---|-----------------------|---------------------------|------------------|-------------------------|-------------------|
| | Present Net Provision | Change in gross Provision | Change in A-in-A | Change in net Provision | |
| RfR1: Protecting and expanding Britain's woodlands and increasing their value to society and the environment | | | | | |
| Other spending outside Departmental Expenditure Limited (DEL) | | | | | |
| RfR1 – D Forestry | 1,500 | 3,605 | – | 3,605 | 5,105 |
| Total RfR1 | | 3,605 | – | 3,605 | |

| Capital and Cash | Present Net Provision | Change in Provision | £'000 New Provision |
|-----------------------------|-----------------------|---------------------|---------------------|
| Total Capital Expenditure | – | – | – |
| Non-Operating A-in-A | – | – | – |
| Net cash requirement | 59,793 | 3,605 | 63,398 |

Part II Revised subhead detail including additional provision

| Resources | | | | | | | Capital | £'000 |
|--|----------|----------------|--------------|----------------|----------|----------------|------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR 1: Protecting and expanding Britain's woodlands and increasing their value to society and the environment | – | 100,265 | 6,105 | 106,370 | – | 106,370 | 850 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | |
| ★ A. Forestry: Grant in Aid | – | 44,945 | 1,000 | 50,945 | – | 50,945 | 850 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | |
| B. Forestry: Grant in Aid | – | 5,500 | – | 5,500 | – | 5,500 | – | – |
| Non cash Items | | | | | | | | |
| C. Forestry | – | 44,820 | – | 44,820 | – | 44,820 | – | – |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| D. Forestry | – | – | 5,105 | 5,105 | – | 5,105 | – | – |
| TOTAL | – | 100,265 | 6,105 | 106,370 | – | 106,370 | 850 | – |

Resource to Cash Reconciliation

| | Present | Increase (+) Decrease (–) | £'000 Revised |
|---|----------------|------------------------------|----------------|
| Net total Resources | 102,765 | 3,605 | 106,370 |
| Voted capital items | | | |
| Capital expenditure | 850 | – | 850 |
| less: Cost of non-operating A in A | – | – | – |
| Total net voted capital | 850 | – | 850 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –43,750 | – | –43,750 |
| Depreciation | –1,070 | – | –1,070 |
| New provisions and adjustments to previous provisions | – | – | – |
| Other non-cash items | – | – | – |
| Increase(+)/decrease (–) in stock | 389 | – | 389 |
| Increase (+)/decrease (–) in debtors | 1,162 | – | 1,162 |
| Increase (–)/decrease (+) in creditors | –553 | – | –553 |
| Use of provisions | – | – | – |
| Excess cash to be CFERd | –43,822 | – | –43,822 |
| Total accruals to cash adjustments | – | – | – |
| Net cash requirement | 59,793 | 3,605 | 63,398 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Costs Statement

| | £000 2002-03 provision |
|----------------------------------|------------------------------|
| Net Administration Costs | |
| Request for Resources 1 | – |
| Net Programme Costs | |
| Request for Resources 1 | 106,370 |
| Total Net Programme costs | 106,370 |
| TOTAL NET OPERATING COST | 106,370 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 106,370 |
| CFERs | – |
| Non-voted expenditure | – |
| RESOURCE BUDGET OUTTURN | 103,918 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 106,370 |
| Net Operating Costs (Accounts) | 106,370 |
| <i>Adjustment for:</i> | |
| Full resource consumption of public corporations | –7,952 |
| Voted expenditure outside the budget (EU receipts received through the UK Co-ordinating body) | 5,500 |
| Resource Budget Outturn (Budget) | 103,918 |
| <i>of which:</i> | |
| Departmental Expenditure Limit | 53,598 |
| Annually Managed Expenditure | 50,320 |

Reconciliation of Capital expenditure between Estimates and Budgets

| | £'000 2002-03 provision |
|--|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 850 |
| Full capital expenditure by public corporation | 10,005 |
| Capital Budget Outturn (Budget) | 10,855 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 10,855 |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Director General of the Forestry Commission, Mr David Bills, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in Government Accounting.

Departmental Expenditure Limits and administration costs limits

As announced to the House of Commons the Forestry Commission DEL will change as follows:

| Resources | | Capital | |
|------------------|------------|----------------|------------|
| Change | - | Change | 3,605,000 |
| New DEL | 53,598,000 | New DEL | 10,855,000 |
| of which: | | of which: | |
| Voted | 50,945,000 | Voted | 850,000 |
| Non Voted | 2,653,000 | Non Voted | 10,005,000 |

Office of Water Services

Introduction

This Supplementary Estimate is required for the following purposes:

- (i) to give effect to the take up of DEL end year flexibility of £1,700,000 administrative costs as set out in the Public Expenditure Outturn White Paper (Cm 5243). (RfR1: regulation of the water industry);
 - (ii) to provide for additional operating appropriations in aid of £20,000 in respect cfer income being reclassified to appropriations in aid and £50,000 Rent income.
2. As a result of all changes there is an increase in Net Cash Requirement of £1,700,000.
 3. Symbols are explained in the Introduction to this booklet.

Part I

| | £'000 |
|---|------------------|
| RfR1: Regulation of the Water industry | 1,100,000 |
| Total net resource requirement | 1,100,000 |
| Additional net cash requirement | 1,700,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by Office of Water Services on:

RfR1: Regulation of the Water industry

administration and operational costs and the provision of customer representation and associated non cash items

The **Office of Water Services** will account for this Estimate.

Part II Changes proposed

| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | £'000 New Net Provision |
|-------------------------|--------------------------|---------------------------------|---------------------|-------------------------------|-------------------------------|
| Resources | | | | | |
| RfR1 – A Administration | –539 | 1,170 | 70 | 1,100 | 561 |
| Total RfR1 | | 1,170 | 70 | 1,100 | |

| | Present Net Provision | Change in Provision | £'000 New Provision |
|-----------------------------|--------------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 535 | 600 | 1,135 |
| Non-Operating A-in-A | – | – | – |
| Net cash requirement | 35 | 1,700 | 1,735 |

Part II Revised subhead detail including additional provision

| | Resources | | | | | | Capital 7 | Operating 8 Non- Operating A in A |
|--|---------------|-----------------------|-------------|---------------------|---------------|-------------------|--------------|---|
| | 1 Admin | 2 Other Current | 3 Grants | 4 Gross Total | 5 A in A | 6 Net Total | | |
| RfR1: Regulation of the Water industry | 12,511 | 540 | – | 13,051 | 11,950 | 1,101 | 1,135 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | |
| ★A Office of Water Services | 12,511 | – | – | 12,511 | 11,950 | 561 | – | – |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| B Office of Water Services | – | 540 | – | 540 | – | 540 | – | – |
| TOTAL | 12,511 | 540 | – | 13,051 | 11,950 | 1,101 | 1,135 | – |

Resource to cash reconciliation

| | Present | Increase/ Decrease | £'000 Revised |
|---|-------------|-----------------------|------------------|
| Net total resources | 1 | 1,100 | 1,101 |
| Voted capital items | | | |
| Capital expenditure | 535 | 600 | 1,135 |
| less non-operating A in A | – | – | – |
| Total net voted capital | 535 | 600 | 1,135 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –16 | – | –16 |
| Depreciation | –555 | – | –555 |
| New provisions and adjustments to previous provisions | –15 | – | –15 |
| Other non-cash items | –14 | – | –14 |
| Increase(+)/decrease (–) in stock | – | – | – |
| Increase (+)/decrease (–) in debtors | – | – | – |
| Increase (–)/decrease (+) in creditors | 99 | – | 99 |
| Use of provisions | – | – | – |
| Total accruals to cash adjustments | –561 | – | –561 |
| Excess cash to be CFERd | – | | |
| Net cash requirement | 35 | 1,700 | 1,735 |

Part III: Extra receipts payable to the Consolidated Fund

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

| | Present provision | | New provision | | £'000 |
|---|-------------------|-----------------|---------------|-----------------|-------|
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> | |
| Operating income not classified as A in A | 20 | 20 | – | – | |
| Non operating income not classified as A in A | – | – | – | – | |
| Other amounts collectable on behalf of the Consolidated Fund | – | – | – | – | |
| Excess cash receipts to be surrendered to the Consolidated Fund | – | – | – | – | |
| Total | 20 | 20 | – | – | |

Forecast Operating Costs Statement

| | £'000 Provision 2002-03 |
|---------------------------------------|-------------------------------|
| Net Administration Costs | 561 |
| RfR1 | –561 |
| Total Net Administration Costs | |
| Net Programme Costs | |
| RfR 1 | 540 |
| Total Net Programme costs | 540 |
| NET OPERATING COST | 1,101 |
| <i>of which</i> | |
| NET RESOURCE OUTTURN | –1,101 |
| CFERs | |
| Non-voted expenditure | |
| RESOURCE BUDGET OUTTURN | –1,101 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £000 |
|--------------------------------------|---------|
| | 2002-03 |
| Net Resource Outturn (Estimates) | 1,101 |
| Net Operating Costs (Accounts) | 1,101 |
| Resource Budget Outturn (Budget) | 1,101 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 561 |
| Annually Managed Expenditure (AME) | 540 |

Reconciliation of capital expenditure between Estimates and Budgets

| | |
|---------------------------------------|-------|
| Net Voted Capital Outturn (Estimates) | 1,135 |
| Capital Budget Outturn | 1,135 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 1,135 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer responsibilities

The Director General of OFWAT is Accounting Officer with overall responsibility for preparing the Department's Estimate. The Director General has overall responsibility as Accounting Officer for the Department's Estimate and overall cash requirement.

The Accounting Officer responsibilities is as follows:

Request for Resources 1: Philip Fletcher, Principal Accounting Officer

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | Provision 2002-03 | |
|---|---------------------|-----------------------------|
| | Operating A in A | Non- operating A in A |
| RfR1: Regulation of the Water industry | | |
| administration and operational costs and the provision of customer representation and associated non cash items | 11,950 | – |
| Total RfR1* | 11,950* | – |

*Amount that may be applied as appropriations in aid in addition to the net total, arising from

Departmental Expenditure Limits and Administration Costs Limits

As announced to the House of Commons the Office of Water Services DEL will change as follows:

| Resources | | Capital | |
|------------------|-----------|----------------|-----------|
| Change | 1,100,000 | Change | 600,000 |
| New DEL | 541,000 | New DEL | 1,135,000 |
| of which: | | of which: | |
| Voted | 541,000 | Voted | 1,135,000 |
| Non Voted | - | Non Voted | - |

The Administration Cost Limit has been increased by £1,100,000 from £11,302,000 to £12,402,000.

Cash which may be retained to offset expenditure

| | |
|---|---------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | £11,950 |
|---|---------|

Department for Culture, Media and Sport

Introduction

This Supplementary Estimate is required for the following purposes:

- (i) to give effect to the take up of DEL end year flexibility of £3,622,000 administrative costs as set out in the Public Expenditure Outturn White Paper (Cm 5574). (RfR1: subheads F1 and I1);
 - (ii) to give effect to the partial take up of DEL end year flexibility of £4,167,000 capital expenditure as set out in the Public Expenditure Outturn White Paper (Cm 5574). (RfR1: subheads F7 and I7);
 - (iii) to give effect to the partial take up of capital DEL end year flexibility as set out in the Public Expenditure Outturn White Paper (Cm 5574) of £50,460,000 for grant payments under the Spaces for Sport and Art initiative. (RfR1: subhead Y3);
 - (iv) to draw down £5,000,000 from the Capital Modernisation Fund for the further development of Culture Online (RfR1: subhead Z7).
 - (v) a transfer of £652,000 administration costs expenditure to the Office of the Deputy Prime Minister toward the expenses of running the regional Government Offices. (RfR1: subhead I1);
 - (vi) a transfer of resource DEL of £4,000,000 from the Department's unallocated provision into administration costs (RfR1: subhead I1);
 - (vii) a transfer of £1,134,000 of resource DEL from the Home Office for match funding of the Public Library Volunteer Scheme (RfR1: subhead A3) and of the Spend for Sport initiative (RfR1: subhead C3);
 - (viii) to give effect to the take up of resource DEL end year flexibility of £3,136,000 for the further development of Culture Online (RfR1: subhead Z2).
2. As a result of all changes there is an increase in Net Cash Requirement of £70,867,000.
 3. Symbols are explained in the Introduction to this booklet.

Part I

| | £ |
|---|-------------------|
| RRfR1: Improving the quality of life through cultural and sporting activities | 61,700,000 |
| RRfR2: Broadening access to a rich and varied cultural and sporting life through home broadcasting | – |
| Total net resource requirement | 61,700,000 |
| Additional net cash requirement | 70,867,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Department for Culture, Media and Sport on:

RfR1: Improving the quality of life through cultural and sporting activities: Support for national and other museums and galleries; the Government Indemnity Scheme; the British Library and other library and archive institutions and services; to the Arts and Sports Councils and for other arts and sports bodies and schemes; the Royal Palaces and Parks; historic buildings, ancient monuments and sites, certain public buildings, and national heritage and architecture; listed places of worship scheme; promotion of tourism; support to film bodies and projects; sponsorship of the music industry; the Welsh Fourth Channel Authority and certain broadcasting services and schemes; alcohol, gambling, film and video licensing; related research, surveys and other services; central administration costs; expenses of the National Lottery Commission; commemorative services and Royal funerals; the Queen's Golden Jubilee; transfer of pension values of certain bodies and associated non-cash items.

RfR2: Broadening access to a rich and varied cultural and sporting life through home broadcasting: Payments to the British Broadcasting Corporation for home broadcasting; and associated non-cash items.

The **Department for Culture, Media and Sport** will account for this Estimate.

Part II: Changes proposed

| | | £'000 | | | | |
|---|----------------------------------|--------------------------|---------------------------------|---------------------|-------------------------------|----------------------|
| | | Present Net Provision | Change in Gross Provision | Change in A in A | Change in Net Provision | New Net Provision |
| Resources | | | | | | |
| RfR1: Improving the quality of life through cultural and sporting activities | | | | | | |
| Spending In Departmental Expenditure Limits (DEL) | | | | | | |
| RfR1 – A | Museums, galleries and libraries | 145 | 134 | – | 134 | 279 |
| RfR1 – C | Sport | 9,300 | 1,000 | – | 1,000 | 10,300 |
| RfR1 – F | The Royal Parks | 22,520 | 626 | – | 626 | 23,146 |
| RfR1 – I | Administration and research | 31,724 | 6,344 | – | 6,344 | 38,068 |
| RfR1 – Z | Culture Online | – | 3,136 | – | 3,136 | 3,136 |
| Other Spending Outside Departmental Expenditure Limits | | | | | | |
| RfR1 – Y | Spaces for Sport and Art | | 50,460 | – | 50,460 | 50,460 |
| Total RfR1 | | | 61,700 | – | 61,700 | |
| TOTAL CHANGES TO RfRs | | | 61,700 | – | 61,700 | |

| | | £000 | | |
|-----------------------------|--|------------------------------|--------------------------------|--------------------------|
| Capital and Cash | | Present Provision | Change in provision | New Provision |
| Total capital expenditure | | 2,368 | 9,167 | 11,535 |
| Non-operating A-inA | | – | – | – |
| Net cash requirement | | 3,478,787 | 70,867 | 3,549,654 |

Part II : Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|--|---------------|----------------|------------------|------------------|---------------|------------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1: Improving the quality of life through cultural and sporting activities | | | | | | | | |
| | 49,879 | 117,982 | 1,134,537 | 1,302,398 | 11,365 | 1,291,033 | 11,535 | – |
| Spending in departmental expenditure limits (DEL) | | | | | | | | |
| Central Government spending | | | | | | | | |
| ★ A Museums, galleries and libraries | – | 150 | 134 | 284 | 5 | 279 | – | – |
| ★ B Arts | – | 818 | – | 818 | 2 | 816 | 200 | – |
| ★ C Sport | – | 500 | 9,800 | 10,300 | – | 10,300 | – | – |
| ★ D Historic buildings, monuments and sites | – | 1,708 | 1,219 | 2,927 | 30 | 2,897 | – | – |
| ★ E Listed Places of Worship Scheme | – | 5,000 | – | 5,000 | – | 5,000 | – | – |
| ★ F The Royal Parks | 4,751 | 22,251 | – | 27,002 | 3,856 | 23,146 | 4,674 | – |
| ★ G Tourism | – | 63 | – | 63 | – | 63 | – | – |
| ★ H Broadcasting and media | – | 83,454 | 393 | 83,847 | 987 | 82,860 | – | – |
| ★ I Administration and research | 37,415 | 901 | – | 38,316 | 248 | 38,068 | 1,661 | – |
| ★ J National Lottery Commission | – | – | – | 0 | 4,941 | –4,941 | – | – |
| ★ K Gambling, licensing and horseracing | – | – | – | 0 | 1,296 | –1,296 | – | – |
| ★ L Queen's Golden Jubilee | – | 1 | 3,600 | 3,601 | – | 3,601 | – | – |
| Spending in annually managed expenditure (AME) | | | | | | | | |
| Non-cash items | | | | | | | | |
| M The Royal Parks | 4,739 | – | – | 4,739 | – | 4,739 | – | – |
| N Administration and research | 2,974 | – | – | 2,974 | – | 2,974 | – | – |
| Other spending outside departmental expenditure limits (DEL) | | | | | | | | |
| O Museums, galleries and libraries | – | – | 387,398 | 387,398 | – | 387,398 | – | – |
| P Arts | – | – | 295,405 | 295,405 | – | 295,405 | – | – |
| Q Sport | – | – | 101,800 | 101,800 | – | 101,800 | – | – |
| R Historic buildings, monuments and sites | – | – | 144,929 | 144,929 | – | 144,929 | – | – |
| S The Royal Parks | – | – | 275 | 275 | – | 275 | – | – |
| T Listed Places of Worship scheme | – | – | 30,000 | 30,000 | – | 30,000 | – | – |
| U Tourism | – | – | 71,700 | 71,700 | – | 71,700 | – | – |
| V Broadcasting and Media | – | – | 28,581 | 28,581 | – | 28,581 | – | – |
| W National Lottery Commission | – | – | 4,942 | 4,942 | – | 4,942 | – | – |
| X Gambling, licensing and horseracing | – | – | 3,901 | 3,901 | – | 3,901 | – | – |
| Y Spaces for Sport and Art | – | – | 50,460 | 50,460 | – | 50,460 | – | – |
| Spending in departmental expenditure limits (DEL) | | | | | | | | |
| ★ Z Culture Online | – | 3,136 | – | 3,136 | – | 3,136 | 5,000 | – |
| RfR2: Broadcasting access to a rich and varied cultural and sporting life through home broadcasting | | | | | | | | |
| | – | – | 2,254,884 | 2,254,884 | – | 2,254,884 | – | – |
| Other spending outside departmental expenditure limits (DEL) | | | | | | | | |
| A Home broadcasting | – | – | 2,254,884 | 2,254,884 | – | 2,254,884 | – | – |
| TOTAL | 49,879 | 117,982 | 3,389,421 | 3,557,282 | 11,365 | 3,545,917 | 11,535 | – |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | £000 Revised |
|---|------------------|-------------------------------|------------------|
| Net total Resources | 3,484,217 | 61,700 | 3,545,917 |
| Voted capital items | | | |
| Capital expenditure | 2,368 | 9,167 | 11,535 |
| Less non-operating AinA | — | — | — |
| Total net voted capital | 2,368 | 9,167 | 11,535 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -3,573 | — | -3,573 |
| Depreciation | -4,144 | — | -4,144 |
| New provisions and adjustments to previous provisions | 4 | — | 4 |
| Other non-cash items | -85 | — | -85 |
| Increase(+)/decrease (-) in stock | — | — | — |
| Increase(+)/decrease (-) in debtors | — | — | — |
| Increase(-)/decrease (+) in creditors | — | — | — |
| Use of provisions | — | — | — |
| Total accruals to cash adjustments | -7,798 | | -7,798 |
| Excess cash to be CFERd | — | — | — |
| Net cash requirement | 3,478,787 | 70,867 | 3,549,654 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Costs Statement

| | £'000 2002–03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | 49,631 |
| RfR2 | — |
| Total Net Administration Costs | 49,631 |
| Net Programme Costs | |
| RfR1 | 1,240,530 |
| RfR2 | -125 |
| Total Net Programme costs | 1,240,405 |
| TOTAL NET OPERATING COST | 1,290,036 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 3,545,917 |
| CFERs | -2,255,881 |
| Non-voted expenditure | — |
| RESOURCE BUDGET OUTTURN | 2,214,137 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002–03 provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 3,545,917 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | |
| Consolidated Fund Extra Receipts in the OCS | –2,255,881 |
| Net Operating Costs (Accounts) | 1,290,036 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts in the (CFERs) | 2,255,881 |
| Full resource consumption of non-departmental public bodies | 158,633 |
| Full resource consumption of public corporations | –26,599 |
| Capital grants to the private sector and local authorities | –104,960 |
| European Union income and related adjustments | 6,000 |
| Voted expenditure outside the Budget | –2,254,884 |
| Unallocated resource provision | 830 |
| Other adjustments: National Lottery Development Fund | 889,200 |
| Resource Budget Outturn (Budget) | 2,214,137 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 1,167,397 |
| Annually Managed Expenditure (AME) | 1,046,740 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002–03 provision |
|--|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 11,535 |
| Full capital expenditure by non-departmental public bodies | 20,595 |
| Full capital expenditure by public corporations | 137,938 |
| Capital grants to the private sector and local authorities | 104,960 |
| Local authority credit approvals | 25,000 |
| Unallocated capital provision | 349 |
| Other adjustments: National Lottery Development Fund | 1,420,800 |
| Capital Budget Outturn | 1,721,177 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 163,376 |
| Annually Managed Expenditure (AME) | 1,557,801 |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Head of the Department for Culture, Media and Sport, Mrs Sue Street, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Change in Accounting Policy

There has been a change in accounting policy for BBC receipts and income. The previous accounting policy meant that receipts were the same as income. The new accounting policy is that the Department now accounts, as income, the amounts that have been received by the Post Office and Envision, but have yet to be paid over to the Department.

Analysis of appropriations in aid

| | £'000 | |
|---|---------------------|-----------------------------|
| | 2002–03 Provision | |
| | Operating A-in-A | Non- operating A-in-A |
| RfR1 | | |
| Improving the quality of life through cultural and sporting activities | | |
| Income from Fees and Charges | 3,886 | – |
| Income from licences | 1,596 | – |
| Income from other sales | 7 | – |
| Recovery of Costs | 5,876 | – |
| Transfer from other Government Departments | – | – |
| Total RfR1 | 11,365* | – |

*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts by the Government Art Collection from sale of prints, hire of transparencies, copyright fees, etc; receipts from the National Heritage Lottery Fund to the Royal Commission for Historical Manuscripts for assessment work; recovery of ceremonial costs; fees and charges for licences and receipts from concessionaries and sponsors; proceeds from the sale of properties; Royal Parks Agency fees and charges for licences, rents, gardening services, sports charges, unclaimed lost property, sponsorship and receipts for private use of telephones and proceeds from the sale of properties; repayment of loans in connection with film development projects, payments by the BBC, ITC and Radio Authority to meet the costs of the Broadcasting Standards Commission, fees for self help TV transmission licences, repayment of Radio Authority loan; EU receipts; receipts from the National Lottery Distribution Fund to meet the cost of its administration by the Department for Culture, Media and Sport and the expenses of the National Lottery Commission, receipts from the National Lottery operator's licence fees; recoveries from the issuing of licensing certificates for gaming machines and operators of gaming establishments; and transfers from the Cabinet Office and Home Office.

** Amount that may be applied as non-operating appropriations in aid arising from the sale of land and buildings and transfer payments for other government departments.

Departmental Expenditure Limits and Administration Costs Limits

As announced to the House of Commons the DCMS DEL will change as follows:

| Resources | | Capital | |
|-----------|-----------|-----------|---------|
| Change | 7,240 | Change | 59,627 |
| New DEL | 1,167,397 | New DEL | 163,376 |
| of which: | | of which: | |
| Voted | 163,929 | Voted | 116,495 |
| Non Voted | 1,003,468 | Non Voted | 46,881 |

The Department's administration costs limit has been increased by £6,970,000 from £42,909,000 to £49,879,000.

Expenditure resting on the sole authority of the Appropriation Act

| | £'000 |
|---|---------|
| The following RfR contains provision sought under the sole authority of Part 1 of the Estimate and the confirming Appropriation Act | |
| RfR1: C3: Chess | 55 |
| RfR1: D2: Underwater Archaeology | 340 |
| RfR1: E2: Listed Places of Worship scheme | 5,000 |
| RfR1: M3: Queen's Golden Jubilee | 3,600 |
| RfR1: P3: Geffrye Museum | 1,274 |
| RfR1: P3: Horniman Museum and Gardens | 3,246 |
| RfR1: P3: Historical Manuscripts Commission | 1,220 |
| RfR1: P3: Museum of Science and Industry in Manchester | 3,336 |
| RfR1: P3: Resource - Council for Museums, Archives and Libraries | 13,490 |
| RfR1: Q3: Arts Council of England | 295,405 |
| RfR1: S3: Chatham Historic Dockyard Trust | 300 |
| RfR1: S3: Commission for Architecture and the Built Environment | 3,530 |
| RfR1: T3: Listed Places of Worship scheme | 30,000 |
| RfR1: V3: Film Council | 24,110 |

Cash which may be retained to offset expenditure

| | £'000 |
|--|--------|
| Cash which may be retained to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid. | 11,365 |

Department for Work and Pensions

Introduction

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

- (i) to reflect the transfer of the Health & Safety Executive and Health & Safety Laboratory from the Office of the Deputy Prime Minister (£222,064,000) as announced by the Prime Minister on 29th May.

2. This Supplementary Estimate is also required for the following purposes:

RFR1

- (i) a transfer of provision of £1,194,000 (administration costs) to Section A from RfR5 arising as a result of the transfer of publicity work and associated costs to the CSA.
- (ii) an increase of £14,100,000 (administration costs) in Section A under the End Year Flexibility Scheme.
- (iii) an increase in capital of £749,000 following a reallocation of provision.
- (iv) a reduction in appropriations in aid of £13,000.

RFR2

- (i) a transfer of provision of £647,000 (administration costs) from Section A to RfR3 following Pensions Service assuming responsibility for the National Test Centre.
- (ii) a transfer of provision of £1,351,000 (administration costs) from Section A to RfR5 in respect of Audit and Corporate Governance Division.
- (iii) a transfer of provision of £6,656,000 (administration costs) from Section A to RfR5 to cover the cost of the Occupational and Psychologist Division and Personnel Division.
- (iv) a transfer of provision of £4,412,000 (administration costs) from Section A to RfR5 to cover the cost in the Group Finance Directorate of Employment Service Estates.
- (v) a transfer of provision of £4,270,000 (administration costs) from Section A to RfR5 for the cost of Fleet Management.
- (vi) a transfer of provision of £5,218,000 (administration costs) from Section A to RfR5 for costs associated with Employment Service cashiers and accounting services.
- (vii) a transfer of provision of £4,773,000 (administration costs) from Section A to RfR5 in respect of Employment Service payroll services.
- (viii) a transfer of provision of £152,531,000 (administration costs) from Section A to RfR5 in respect of Employment Service estate costs.
- (ix) a transfer of provision of £265,000 (administration costs) from Section A to RfR5 as a result of the transfer for responsibility of HASSRA.
- (x) a transfer of provision of £423,000 (administration costs) from Section A to RfR5 resulting from the movement of funding for Adjudication and Constitutional Issues to DWP Corporate Services.
- (xi) a transfer of provision of £33,000 (administration costs) from Section A to RfR3 Disability & Carer Benefits Directorate for the cost of Medical Service Liaison posts.

- (xii) a transfer of provision of £3,600,000 (other current) from Section B to Department for Education and Skills for costs incurred by the Adult Learning Inspectorate on behalf of Department for Work and Pensions.
- (xiii) a transfer of provision of £159,000 (other current) from Section B to the Welsh Assembly for work carried out by Her Majesty's Inspectors for Education and Training in Wales.
- (xiv) an increase of £36,930,000 (administration costs) in Section A and £260,000,000 (other current) in Section B under the End Year Flexibility Scheme of the £260,000,000 (other current), £197,000,000 was subsequently reclassified to administration costs and £16,000,000 to Capital.
- (xv) an increase in provision of £500,000 (grants) in Section Y offset by a decrease of £500,000 in Section B (other current) for costs relating to the One Pilot Scheme.
- (xvi) an increase in provision of £854,000 (administration costs) in Section B in connection with costs incurred by departmental Action Teams performing work on behalf of Local Authorities.
- (xvii) an increase in provision of £5,000,000 (other current) in Section A as a result of a transfer from Department for Education and Skills in association with the Basic Skills Initiative.
- (xviii) an increase in provision of £170,000 (administration costs) in Section A as a result of a transfer from the Cabinet Office for costs associated with Work Train.
- (xix) an increase in provision of £3,800,000 (administration costs) in Section Z as a result of a transfer from Department for Transport for costs associated with the Cullen Enquiry.
- (xx) an increase in Capital of £2,305,000 following a reallocation of provision amongst RfRs.
- (xxi) a decrease of £930,000 (non operating appropriations in aid) in Section A as a result of a transfer to RfR5 as a result of a change in organisational requirements.
- (xxii) an increase in provision of £2,740,000 (other current) in Section A for the costs associated with increased secondments.
- (xxiii) an increase in provision of £1,500,000 (administration costs) in Section B for expenditure associated with services supplied by Department for Work and Pensions to other government departments on a repayment basis.
- (xxiv) an increase in appropriations in aid of £5,658,000.

RFR3

- (i) a transfer of provision of £647,000 (administration costs) to Section A from RfR2 following Pensions Service assuming responsibility for the National Test Centre.
- (ii) a transfer of provision of £33,000 (administration costs) to Section A from RfR2 to Disability & Carer Benefits Directorate for the cost of Medical Service Liaison posts.
- (iii) a transfer of provision of £596,000 (administration costs) to Section A from RfR4 for the reimbursement of funding transferred to Inland Revenue on behalf of Pensions Organisation Project.
- (iv) an increase in provision of £550,000 (grants) to Section K from the EU contribution to the European Year for Disabled People 2003.
- (v) an increase of £13,643,000 (administration costs) in Section A and £1,764,000 (grants) in section K under the End Year Flexibility Scheme.
- (vi) an increase in provision of £1,842,000 (grants) to Section K as a result of a transfer from Department for

Education and Skills to cover the cost of work undertaken by the Disability Rights Commission on Special Educational Needs.

- (vii) a reduction in provision of £55,000 (administration costs) in Section A as a result of a transfer to the Department for Social Development (Northern Ireland) for costs associated with Winter Fuel Payments.
- (viii) an increase in capital expenditure of £4,857,000 following a reallocation of provision.
- (ix) a reduction in provision of £729,000 (administration costs) in Section A due to less than anticipated work for other government departments on a repayment basis being undertaken.
- (x) a reduction of £179,000 in appropriations in aid.

RfR4

- (i) a transfer of provision of £596,000 (administration costs) from Section A to RfR3 for the reimbursement of funding transferred to Inland Revenue on behalf of Pensions Organisation Project.
- (ii) a reduction in provision of £57,000 (administration costs) from Section A as a result of a transfer to the Veterans Agency in respect of Comprehensive Spending Review funding.
- (iii) a reduction in provision of £36,000,000 (administration costs) from Section A offset by an increase of £36,000,000 (Capital) in Section A as a result of capitalisation of expenditure on the Early Office Infrastructure project.
- (iv) an increase in provision of £303,342,000 (administration costs) and £33,114 (capital) in Section A from the Welfare Modernisation Fund.
- (v) an increase of £58,328,000 (administration costs) and £6,777,000 (capital) in Section A under the End Year Flexibility Scheme.

RfR5

- (i) a transfer of provision of £1,194,000 (administration costs) from Section A to RfR1 arising as a result of the transfer of publicity work and associated costs to the CSA.
- (ii) a transfer of provision of £1,351,000 (administration costs) to Section A from RfR2 in respect of Audit and Corporate Governance Division.
- (iii) a transfer of provision of £6,656,000 (administration costs) to Section A from RfR2 to cover the cost of the Occupational and Psychologist Division and Personnel Division.
- (iv) a transfer of provision of £4,412,000 (administration costs) to Section A from RfR2 to cover the cost in the Group Finance Directorate in respect of Employment Service Estates.
- (v) a transfer of provision of £4,270,000 (administration costs) to Section A from RfR2 for the cost of Fleet Management.
- (vi) a transfer of provision of £5,218,000 (administration costs) to Section A from RfR2 in respect of Employment Service cashiers and accounting services.
- (vii) a transfer of provision of £4,773,000 (administration costs) to Section A from RfR2 cover costs relating to Employment Service payroll services.
- (viii) a transfer of provision of £152,531,000 (administration costs) to Section A from RfR2 to cover Employment Service estate costs.

- (ix) a transfer of provision of £265,000 (administration costs) to Section A from RfR2 as a result of the transfer for responsibility of HASSRA.
- (x) a transfer of provision of £423,000 (administration costs) to Section A from RfR2 resulting from the movement of funding for Adjudication and Constitutional Issues to DWP Corporate Services.
- (xi) an increase in provision of £1,000,000 (capital) in section A as a result of a transfer from Office for National Statistics for costs associated with Neighbourhood Statistics.
- (xii) a transfer of provision of £236,000 (administration costs) to Section A as a result of a transfer from the Scottish Executive for costs associated with the Neighbourhood statistics.
- (xiii) a transfer of provision of £40,000 (administration costs) to Section A as a result of a transfer from Department for Education and Skills for work undertaken by the Joint International Unit.
- (xiv) an increase of £67,586,000 (administration costs) and £10,400,000 (capital) in Section A under the End Year Flexibility Scheme.
- (xv) an increase in provision of £1,201,000 (administration costs) to Section A for work on International programmes by the Joint International Unit.
- (xvi) an increase in provision of £15,000,000 (administration costs) in Section A from the Capital Modernisation Fund for costs associated with the Electronic Service Delivery project.
- (xvii) an increase in provision of £5,500,000 (administration costs) in Section A from the Capital Modernisation Fund for the Modernising Appeals Delivery Programme.
- (xviii) an increase in provision of £7,856,000 (administration costs) in Section A for bonus payments under the Makinson scheme.
- (xix) an increase of provision of £3,430,000 (administration costs) in Section A and £5,290,000 (administration costs) in Section F in association with the PRIME barter deal.
- (xx) an increase in provision of £230,000 (administration costs) in Section A for expenditure associated with services supplied by Department for Work and Pensions to other government departments on a repayment basis.
- (xxi) an increase in provision of £150,000 (other current) in Section A for expenditure in connection with EU Twinning Projects.
- (xxii) an increase in provision of £1,091,000 (administration costs) and £100,000 (capital) to Section A and £33,000 in Section F as a result of a transfer from Department for Education and Skills for costs associated with Ranmoor Hall.
- (xxiii) a reduction in capital of £7,911,000 following a reallocation of provision.
- (xxiv) an increase in provision of £930,000 (non operating appropriations in aid) in Section A as a result of a transfer from RfR2 due to a change in organisational requirements.
- (xxv) an increase in provision of £2,889,000 (administration costs) in Section A for expenditure associated with services supplied by Department for Work and Pensions to other government departments on a repayment basis.

- (xxvi) a reduction in provision of £120,000 (other current) in Section A as a result of a reduction in anticipated expenditure on secondments.
 - (xxvii) an increase in appropriations in aid of £8,462,000.
2. As a result of all changes there is an increase in Net Cash Requirement of £842,515,000.
 3. Symbols are explained in the Introduction to this booklet.

Part I

| | £ |
|--|--------------------|
| RfR1: Ensuring the best start for all children, ending child poverty in 20 years. | 15,307,000 |
| RfR2: Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need and administration of the Health and Safety Executive. | 104,998,000 |
| RfR3: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners. | 18,470,000 |
| RfR4: Modernising welfare delivery so as to improve the accessibility and accuracy of services. | 325,017,000 |
| RfR5: Corporate Contracts, support services and administration of the European Social Fund for England. | 280,655,000 |
| Additional net resources required | 744,447,000 |
| Additional Net Cash Requirement | 842,515,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Department for Work and Pensions on:

RfR1: Ensuring the best start for all children, ending child poverty in 20 years.

the administration costs and benefit payments of the child support system; child benefit; family credit; the benefit costs of vaccine damage and associated non cash items.

RfR2: Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need and administration of the Health and Safety Executive.

the administration costs and benefit payments of Severe Disablement Allowance; pensions gratuities and sundry allowances for disablement and specified deaths arising from industrial causes; Income Support for the under 60's; Jobseeker's Allowance (contribution-based); Jobseeker's Allowance (income based); earnings top up pilot; job grant; back to work bonus; compensation payments to the National Insurance Fund in respect of Statutory Sick Pay and Statutory Maternity Pay; the provision of training and assessment programmes for adults; the promotion of enterprise and the encouragement of self employment; help for unemployed people and disability rights. Measures to help people, particularly those on welfare and at a disadvantage in the labour market, into work; the elements of the delivery of the Jobseeker's allowance undertaken by Jobcentre Plus; the administration of, and where appropriate the payment of allowances to people participating in, the Welfare to Work programme, the Job Transition Service and other employment programmes, pilot programmes and new measures to help people into work; temporary subsidies to employers; grants to voluntary bodies and local authorities towards the provision of supported employment; a Grant in Aid and the provision of a temporary loan facility to Remploy Ltd; assistance and advice on employment service and labour market issues to international organisations; research; publicity; administration of Jobcentre Plus and associated non-cash items. Also grants to Independent Living and Motability. Subsidies to housing, billing, levying and local authorities towards the costs incurred in administering the Housing Benefit and/or Council Tax Benefit schemes; rent rebate, rent allowance; Council Tax Benefit; community charge benefit; community charge rebate and rate rebate; payments to local authorities in respect of anti-fraud and similar administrative measures; discretionary housing payments; sums payable for participation in the ONE pilot scheme; sums payable for incentive payments in respect of Housing Benefit under occupation schemes and sums payable for residual compensation payments to providers of supported accommodation; sums payable to third party providers of services to local authorities; compensation for sufferers, or their dependants, of certain dust related diseases; the Health and Safety Commission (HSC); grants paid by HSC to small businesses and associated non-cash items.

RfR3: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners.

the administration costs and benefit payments of non contributory retirement pensions; Christmas Bonus payments to pensioners; Attendance Allowance; Disability Living Allowance; Disability Working Allowance; Income Support for the elderly; Invalid Care Allowance; Vaccine Damage; payments made to the BBC in respect of the over 75's free TV licence scheme; sums payable to fund payments and loans made by the Social Fund; Grants in Aid to the Disability Rights Commission, OPRA and associated non-cash items.

RfR4: Modernising welfare delivery so as to improve the accessibility and accuracy of services.

costs of modernising Departmental systems and services and associated non cash items.

RfR5: Corporate contracts, support services and administration of European Social Fund for England.

corporate administration; the costs associated with the Appeals Service; payments for education, training and employment projects assisted by the European Union and refunds to the European Union, the UK subscription to the International Labour Organisation, other international educational programmes and associated non cash items.

The Department for Work and Pensions will account for this Estimate.

Part II: Changes proposed

| | Present Net Provision | Change in Gross provision | Change in A-in-A | Change in Net Provision | £000 New Net Provision |
|---|----------------------------------|--------------------------------|--------------------------|----------------------------|------------------------------|
| Resources | | | | | |
| RfR1: Ensuring the best start for all children, ending child poverty in 20 years | | | | | |
| Spending in Departmental Expenditure Limits | | | | | |
| RfR 1 – A Children: Administration | 243,830 | 15,294 | -13 | 15,307 | 259,137 |
| Total RfR 1 | | 15,294 | -13 | 15,307 | |
| RfR2: Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need and administration of the Health and Safety Executive | | | | | |
| Spending in Departmental Expenditure Limits | | | | | |
| RfR 2 – A Working Age: Administration | 1,645,252 | 53,027 | 3,304 | 49,723 | 1,694,975 |
| RfR 2 – B Employment Programmes | 1,395,863 | 54,095 | 2,354 | 51,741 | 1,447,604 |
| RfR 2 – Y Funding for ONE pilot scheme | – | 500 | – | 500 | 500 |
| RfR 2 – Z Health and Safety Executive | – | 256,786 | 58,343 | 198,443 | 198,443 |
| RfR 2 – AA Health and Safety Laboratory | – | 21,719 | 23,954 | -2,235 | -2,235 |
| Spending in Annually Managed Expenditure | | | | | |
| RfR 2 – BB Health and Safety Executive | – | 10,172 | – | 10,172 | 10,172 |
| RfR 2 – CC Health and Safety Laboratory | – | 4,040 | – | 4,040 | 4,040 |
| Other Spending Outside Departmental Expenditure Limits | | | | | |
| RfR 2 – DD Payment from the Office of the Deputy Prime Minister | – | – | 207,386 | -207,386 | -207,386 |
| Total RfR 2 | | 400,339 | 295,341 | 104,998 | |
| RfR3: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners | | | | | |
| Spending in Departmental Expenditure Limits | | | | | |
| RfR 3 – A Pensioners: Administration | 238,357 | 14,135 | -729 | 14,864 | 253,221 |
| Other Spending Outside Departmental Expenditure Limits | | | | | |
| RfR 3 – K Disability Rights Commission | 11,275 | 4,156 | 550 | 3,606 | 14,881 |
| Total RfR 3 | | 18,291 | -179 | 18,470 | |
| RfR4: Modernising welfare delivery so as to improve the accessibility and accuracy of services | | | | | |
| Spending in Departmental Expenditure Limits | | | | | |
| RfR 4 – A Modernisation: Administration | 103,924 | 325,017 | – | 325,017 | 428,941 |
| Total RfR 4 | | 325,017 | – | 325,017 | |
| RfR5: Corporate contracts, support services and administration of European Social Fund for England | | | | | |
| Spending in Departmental Expenditure Limits | | | | | |
| RfR 5 – A Corporate: Administration | 886,510 | 283,794 | 8,462 | 275,332 | 1,161,842 |
| Spending in Annually Managed Expenditure | | | | | |
| RfR 5 – F: Corporate Administration: Non-cash items | 9,410 | 5,323 | – | 5,323 | 14,733 |
| Total RfR 5 | | 289,117 | 8,462 | 280,655 | |
| Total changes to RfRs | | 1,048,058 | 303,661 | 744,447 | |
| | | | | | £000 |
| Capital and Cash | Present Net Provision | Change in Provision | New Provision | | |
| Total Capital Expenditure | 118,880 | 114,391 | 233,271 | | |
| Non-Operating A-in-A | 7,631 | 11,000 | 18,631 | | |
| Net Cash Requirement | 56,223,393 | 842,515 | 57,065,908 | | |

Part II : Revised subhead detail including additional provision

| Resources | 1 | 2 | 3 | 4 | 5 | 6 | Capital | £'000 |
|--|-----------|---------------|------------|-------------|-----------|------------|---------|----------------------|
| | Admin | Other Current | Grants | Gross Total | A-in-A | Net Total | Capital | Non-Operating A-in-A |
| RfR 1: Ensuring the best start for children and ending child poverty in 20 years. | 262,964 | – | 8,937,285 | 9,200,249 | 123 | 9,200,126 | 2,351 | – |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A: Children: Administration | 259,183 | – | | 259,183 | 46 | 259,137 | 2,351 | – |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| B: Children's benefits | – | – | 8,946,813 | 8,946,813 | – | 8,946,813 | – | – |
| <i>Non-Cash items</i> | | | | | | | | |
| C: Children Non-cash items | 3,781 | – | –9,528 | –5,747 | – | –5,747 | – | – |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| D: Profit/loss on asset disposals | – | – | – | – | 77 | –77 | – | – |
| RfR2: Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need and administration of the Health and Safety Executive. | 2,471,119 | 908,589 | 25,966,398 | 29,346,106 | 1,239,705 | 28,106,401 | 51,419 | 16,001 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A: Working Age: Administration | 1,857,107 | 11,212 | 722 | 1,869,041 | 174,066 | 1,694,975 | 35,419 | – |
| ★B: Employment Programmes | 339,300 | 837,892 | 273,100 | 1,450,292 | 2,688 | 1,447,604 | – | – |
| ★C: Motability administration | – | – | 2,200 | 2,200 | 121 | 2,079 | – | – |
| <i>Challenge funding and similar administrative measures Housing benefit administration – new towns Discretionary housing payment scheme: Admin</i> | | | | | | | | |
| <i>Support for Local Authorities</i> | | | | | | | | |
| ★D: Employment Programmes | – | – | 37,047 | 37,047 | – | 37,047 | – | – |
| ★E: Challenge funding and similar administrative measures – Local Authorities | – | – | 116,099 | 116,099 | 600 | 115,499 | – | – |
| ★F: Housing benefit and council tax benefit administration grants | – | – | 170,000 | 170,000 | – | 170,000 | – | – |
| ★G: Third Party Providers | – | – | 1,376 | 1,376 | – | 1,376 | – | – |
| <i>Funding for ONE pilot scheme Discretionary housing payment scheme: Admin</i> | | | | | | | | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| H: Severe Disablement Allowance | – | – | 971,780 | 971,780 | 1,341 | 970,439 | – | – |
| I: Industrial injury benefits | – | – | 820,594 | 820,594 | 82,858 | 737,736 | – | – |
| J: Income support (under 60 years of age) | – | – | 10,099,667 | 10,099,667 | 204,729 | 9,894,938 | – | – |
| K: Jobseekers allowance (income based) | – | – | 2,214,628 | 2,214,628 | 770 | 2,213,858 | – | – |
| L: Jobseekers allowance (contribution based) | – | – | 478,067 | 478,067 | 478,067 | – | – | – |

Part II : Revised subhead detail including additional provision (continued)

| Resources | | | | | | | Capital | £'000 |
|--|---------|---------------|------------|-------------|---------|------------|---------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| M: Job Grant and ETU pilot | | | 24,979 | 24,979 | | 24,979 | – | – |
| N: Grants to independent bodies | | | 181,088 | 181,088 | 2,685 | 178,403 | – | – |
| O: Employment credits | | | 97,500 | 97,500 | | 97,500 | – | – |
| P: Employment Allowances | | | 82,134 | 82,134 | | 82,134 | – | – |
| <i>Discretionary housing payments: new towns Housing benefit subsidies: new towns</i> | | | | | | | | |
| <i>Support for Local Authorities</i> | | | | | | | | |
| Q: Housing benefit and council tax benefit subsidies | | | 8,866,172 | 8,866,172 | 40 | 8,866,132 | – | – |
| R: Rent rebates | | | 730,233 | 730,233 | | 730,233 | – | – |
| S: HB under-occupation pilot | | | 255 | 255 | | 255 | – | – |
| T: Discretionary housing payments scheme | | | 20,000 | 20,000 | | 20,000 | – | – |
| <i>Discretionary rent allowance Compensation payments to landlords</i> | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | |
| U: Working age Non-cash items | 41,480 | | 29,235 | 70,715 | | 70,715 | – | – |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| V: Statutory benefits (SSP and SMP) | | | 736,000 | 736,000 | 400 | 735,600 | – | – |
| W: Profit/loss on asset disposals | | | 0 | 1,657 | 1,657 | –1,657 | – | – |
| X: Capital grants for the disabled | | | 13,022 | 13,022 | | 13,022 | 5,000 | 5,001 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| <i>Support for Local Authorities</i> | | | | | | | | |
| ★Y: Funding for ONE pilot scheme | – | – | 500 | 500 | – | 500 | – | – |
| <i>Central Government spending</i> | | | | | | | | |
| Z: Health and Safety Executive | 202,906 | 53,880 | – | 256,786 | 58,343 | 198,443 | 6,402 | 37 |
| AA: Health and Safety Laboratory | 16,134 | 5,585 | – | 21,719 | 23,954 | –2,235 | 4,598 | 398 |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | |
| BB: Health and Safety Executive | 10,152 | 20 | – | 10,172 | – | 10,172 | – | – |
| CC: Health and Safety Laboratory | 4,040 | – | – | 4,040 | – | 4,040 | – | – |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| DD: Payment from the Office of the Deputy Prime Minister | – | – | – | – | 207,386 | –207,386 | – | 10,565 |
| RfR3: Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners | | | | | | | | |
| | 397,339 | 8,000 | 17,932,183 | 18,337,522 | 174,063 | 18,163,459 | 4,857 | – |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| *A Pensioners: Administration | 392,539 | 8,000 | – | 400,539 | 147,318 | 253,221 | 4,857 | – |

Part II : Revised subhead detail including additional provision (continued)

| Resources | | | | | | | Capital | £'000 |
|---|------------------|----------------|-------------------|-------------------|------------------|-------------------|----------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| B: Pension benefits | – | – | 45,195 | 45,195 | – | 45,195 | – | – |
| C: Attendance Allowance | – | – | 3,215,907 | 3,215,907 | 1,948 | 3,213,959 | – | – |
| D: Disability Living Allowance | – | – | 6,995,960 | 6,995,960 | 24,247 | 6,971,713 | – | – |
| E: Invalid Care Allowance | – | – | 982,059 | 982,059 | – | 982,059 | – | – |
| F: Income Support for the Elderly | – | – | 4,274,899 | 4,274,899 | – | 4,274,899 | – | – |
| G: TV licences for the over 75s | – | – | 380,025 | 380,025 | – | 380,025 | – | – |
| <i>Non-Cash items</i> | | | | | | | | |
| H: Pensioner Non-cash items | 4,800 | – | 210 | 5,010 | – | 5,010 | – | – |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| I: Payments to the Social Fund | – | – | 2,006,133 | 2,006,133 | – | 2,006,133 | – | – |
| J: OPRA (Grant in Aid) | – | – | 16,364 | 16,364 | – | 16,364 | – | – |
| K: Disability Rights Commission (Grant in Aid) | – | – | 15,431 | 15,431 | 550 | 14,881 | – | – |
| RfR4: Modernising welfare delivery so as to improve the accessibility and accuracy of services | 544,677 | – | – | 544,677 | 67,776 | 476,901 | 129,291 | – |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A: Modernisation: Administration | 496,717 | – | – | 496,717 | 67,776 | 428,941 | 129,291 | – |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME): | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| B: Modernisation Non-cash items | 47,960 | – | – | 47,960 | – | 47,960 | – | – |
| RfR5: Corporate contracts, support services and administration of the European Social Fund for England | 1,749,372 | 1,695 | 126,063 | 1,877,130 | 700,819 | 1,176,311 | 45,353 | 2,630 |
| SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| <i>Central governments spending</i> | | | | | | | | |
| ★A: Corporate: Administration | 1,734,639 | 1,695 | 26,061 | 1,762,395 | 600,553 | 1,161,842 | 45,353 | 2,630 |
| ★B: European Social Fund | – | – | 1 | 1 | – | 1 | – | – |
| ★C: European Social Fund – payments in advance of receipts | – | – | 80,000 | 80,000 | – | 80,000 | – | – |
| <i>Support for Local Authorities</i> | | | | | | | | |
| ★D: European Social Fund | – | – | 1 | 1 | – | 1 | – | – |
| ★E: European Social Fund – payments in advance of receipts | – | – | 20,000 | 20,000 | – | 20,000 | – | – |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME): | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | |
| F: Corporate Administration Non-cash items | 14,733 | – | – | 14,733 | – | 14,733 | – | – |
| OTHER SPENDING OUTSIDE DEPARTMENTAL EXPENDITURE LIMITS (DEL): | | | | | | | | |
| G: European Social Fund | – | – | – | – | 99,998 | –99,998 | – | – |
| H: Profit/loss on asset disposals | – | – | – | – | 268 | –268 | – | – |
| TOTAL | 5,435,471 | 918,284 | 52,961,929 | 59,305,684 | 2,182,426 | 57,123,198 | 233,271 | 18,631 |

Part II: Resource to Cash Reconciliation

| | £000 | | |
|---|----------------------|-------------------------------|----------------------|
| | Present Provision | Increase (+)/ Decrease (-) | Revised Provision |
| Net total Resources | 56,378,751 | 744,447 | 57,123,198 |
| Voted capital items | | | |
| Capital expenditure | 118,880 | 114,391 | 233,271 |
| Less: non-operating A-in-A | 7,631 | 11,000 | 18,631 |
| | 111,249 | 103,391 | 214,640 |
| Total net voted capital | | | |
| Accruals to cash adjustments | | | |
| Cost of Capital charges | -37,655 | 8,516 | -29,139 |
| Depreciation | -100,701 | -11,394 | -112,095 |
| New provisions and adjustments to previous provisions | -28,547 | -17,323 | -45,870 |
| Other non-cash items | -22,415 | | -22,415 |
| Increase(+)/decrease (-) in stock | | -208 | -208 |
| Increase(+)/decrease (-) in debtors | -50,672 | -134 | -50,806 |
| Increase(-)/decrease (+) in creditors | -31,117 | | -31,117 |
| Use of provisions | 4,500 | 20,557 | 25,057 |
| Non Cash Inter Departmental Payments | | -5,337 | -5,337 |
| Total accruals to cash adjustments | -266,607 | -5,323 | -271,930 |
| Excess cash to be CFERd | | | |
| Net Cash Requirement | 56,223,393 | 842,515 | 57,065,908 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Costs Statement

| | £'000 2002-03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | 262,841 |
| RfR2 | 2,225,411 |
| RfR3 | 250,021 |
| RfR4 | 476,901 |
| RfR5 | 1,174,427 |
| Total Net Administration Costs | 4,389,601 |
| Net Programme Costs | |
| RfR1 | 8,937,285 |
| RfR2 | 26,085,376 |
| RfR3 | 15,907,305 |
| RfR4 | - |
| RfR5 | 1,884 |
| National Insurance Fund | 55,746,224 |
| Total Net Programme costs | 106,678,074 |
| TOTAL NET OPERATING COST | 111,067,675 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 57,123,198 |
| CFERs | -3,000 |
| Non-voted expenditure | 55,746,224 |
| RESOURCE BUDGET OUTTURN | 111,840,347 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 provision |
| Net Resource Outturn (Estimates) | 57,123,198 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | 55,746,224 |
| Consolidated Fund Extra Receipts in the OCS | -3,000 |
| Other adjustments: | -2,006,133 |
| Add back payment from ODPM | 207,386 |
| Net Operating Costs (Accounts) | 111,067,675 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts in the OCS (CFERs) | -22 |
| Full resource consumption of non departmental public bodies | 4,017 |
| Full resource consumption of public corporations | 7,868 |
| Capital grants to the private sector and local authorities | -9,120 |
| Gains/losses from sale of capital assets | 2,002 |
| European Union income and related adjustments | 460,031 |
| Unallocated resource provision | 318,532 |
| Other adjustments: | -10,636 |
| Resource Budget Outturn (Budget) | 111,840,347 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 7,513,746 |
| Annually Managed Expenditure (AME) | 104,326,601 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 provision |
| Net Voted Capital Outturn (Estimates) | 214,640 |
| Full capital expenditure by public corporations | 5,103 |
| Capital grants to the private sector, LAs and PCs | 8,920 |
| Gains/losses from sale of capital assets | -2,002 |
| Local authority credit approvals | 1,202 |
| Other adjustments | 76,109 |
| Add back payment from ODPM | 10,565 |
| Capital Budget Outturn (Budget) | 314,537 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 238,428 |
| Annually Managed Expenditure (AME) | 76,109 |

Explanation of Accounting Officer Responsibilities

HM Treasury has appointed the Permanent Head of the Department for Work and Pensions, Sir Richard Mottram, as Principal Accounting Officer for the Department with overall responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including the responsibility for the propriety and regularity of public finances for which as an Accounting Officer he is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum, issued by HM Treasury and published in Government Accounting.

Analysis of Appropriations in Aid

| | £'000 | |
|--|------------------|----------------------|
| | Operating A-in-A | Non-operating A-in-A |
| RfR1 | | |
| Ensuring the best start for all children, ending child poverty in 20 years. | | |
| Services carried out by DWP on behalf of public and private sector bodies | 41 | — |
| Receipts from applicants for services provided by CSA. | 3 | — |
| Receipts from staff for private telephone calls | 1 | — |
| Receipts from the sale of non capital items | 1 | — |
| Profit/loss on asset disposals | 77 | — |
| Total for RfR1: | 123* | —** |

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from staff for the use of outside facilities, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public, receipts from staff for private telephone calls, receipts from the Department for Education and Skills in respect of Modern Apprenticeships, receipts from staff towards the cost of private use of official vehicles, receipts from sales of non capital items, receipts from applicants for services provided by CSA and receipts from the repayment of maintenance by absent parents.

** Amount that may be applied as non-operating appropriations in aid arising from receipts from sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

RfR2

Promoting work as the best form of welfare for people of working age, whilst protecting the position of those in greatest need and administration of the Health and Safety Executive

| | | |
|---|---------|-------|
| Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits | 164,951 | — |
| Services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public. | 3,427 | — |
| Receipts from other Departments/Organisations in respect of outward secondments. | 3,232 | — |
| Recovery of excess programmes | 10 | — |
| General administration receipts | 3,562 | — |
| New Deal for Young People | 324 | — |
| Payments from the Office of the Deputy Prime Minister | 207,386 | — |
| Receipts from Local Authorities for services provided to them by Departmental Action Teams | 854 | — |
| Receipts for expenses from the European Union | 394 | — |
| Repayment of temporary loans to Remploy | — | 5,001 |
| Motability administration | 121 | — |
| Challenge funding and similar administrative measures | 600 | — |
| Disability benefits | 1,341 | — |
| Industrial injury benefits | 82,858 | — |
| Income support (under 60 years of age) | 204,729 | — |
| Jobseekers allowance (income based) | 770 | — |
| Jobseekers allowance (contribution based) | 478,067 | — |
| Motability grant | 2,685 | — |
| Housing benefit and council tax benefit subsidies | 40 | — |
| Statutory benefits (SSP and SMP) | 400 | — |

| | £'000 | |
|--------------------------------|---------------------------------------|----------------------|
| | 2002-03 Provision Operating A-in-A | Non-operating A-in-A |
| Profit/loss on asset disposals | 1,657 | – |
| Health and Safety Executive | 58,343 | 6,402 |
| Health and Safety Laboratory | 23,954 | 4,598 |
| Total for RfR2: | 1,239,705* | 16,001** |

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering National Insurance benefits, receipts from staff for the use of outside facilities, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public, receipts from staff for private telephone calls, recovery of law costs from defendants, receipts from sub-let accommodation, receipts from the Department for Education and Skills in respect of Modern Apprenticeships, other departments/organisations in respect of outward secondments, receipts from staff towards the cost of private use of official vehicles, receipts from mortgage lenders, recoveries from staff for the administration cost of making attachment of earnings orders, receipts from the sale of non capital items, receipts from sub let accommodation, the recovery of the cost of administering allowance payments for work based learning for adults in Scotland and Wales, contribution from Scotland and Wales towards Employment Zones, receipts from Local Authorities for services provided to them by Departmental Action Teams, rent and similar receipts, the Employment Service (ES) private mileage scheme; recovery from the EC of the costs of work on European Employment Services (EURES), the ES Revenue Generation Scheme, work undertaken on labour market issues in eastern Europe, receipts from sponsors of supported placements in the ES; receipts in respect of vending machines, receipts from Working Links, receipts from selling services under the Wider Markets Initiative, receipts from partner organisations in respect of action teams, recovery of salary costs of ES staff seconded to other organisations, recoveries from the European Social Fund for employment programmes, the recovery of excess payments made on ES employment measures, recoveries of payments from the Department of Social Development (Northern Ireland) towards Motability's car adaptation and administration costs, receipts from Tenth Anniversary Trust towards Motability's car adaptation costs, recoveries from authorities not achieving baseline targets set in respect of anti fraud measures, recoveries from authorities not achieving targets set in respect of extended payments, from damages payable to recipients of Statutory Sick Pay, receipts via Compensation Recovery Unit in respect of benefits paid in lieu, payments on return to work after a trade dispute made to people who would normally be excluded from Income Support because they are in full time work, payments by liable relatives, amounts collected through a court order or on a voluntary basis from relatives of Income Support claimants, receipts from the CSA of payments of maintenance from absent parents for parents with care who are in receipt of Income Support, repayment of Jobseeker's Allowance (contribution based) from the National Insurance Fund, receipts in respect of the Health and Safety Commission fees and charges levied by the Health and Safety Commission (HSC), research and administrative services, testing (including EECs), fee paying enquiries, dissemination of information, royalties, the loan and hire of equipment, seminars, patent rights, conferences and publications (in print and non-print media) provided by the HSC, payments from other government departments, agencies, non-departmental public bodies and overseas governments to the HSC, sales of land and buildings, water, stores, plant, equipment, machinery and vehicles of the HSC, recoveries of seconded staff salaries of the HSC, receipts for the use of HSC accommodation, rental income and receipts from HSC property and land, sponsorship, including contributions from co-sponsors towards the costs of research and surveys carried out by HSC, recoveries by the HSC from the European Union in respect of travelling expenses and subsistence, allowances incurred by HSC staff on European Union business, contributions and recoveries from the European Union of costs of HSC research and projects, legal claims of the HSC, including awards of court costs and out of court settlements, refunds of advance of salaries of HSC staff, repayment of loans made by the HSC, including interest on the loans and payments from the Office of the Deputy Prime Minister.

** Amount that may be applied as non-operating appropriations in aid arising from the repayment of loans by Remploy Ltd, receipts from sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

RfR3

Combating poverty and promoting security and independence in retirement for today's and tomorrow's pensioners.

| | | |
|--|-----------------|------------|
| Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits | 144,284 | – |
| Services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public | 3,034 | – |
| Receipts from the European Union for the European year of disabled people 2003 | 550 | – |
| Attendance allowance | 1,948 | – |
| Disability living allowance | 24,247 | – |
| Total for RfR3: | 174,063* | –** |

* Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering NI benefits, receipts from staff for the use of outside facilities, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public, receipts from the European Union for the European year of disabled people 2003, receipts from staff for private telephone calls, recovery of law costs from defendants, receipts from sub-let accommodation, receipts from the Department for Education and Skills in respect of Modern Apprenticeships, other departments/organisations in respect of outward secondments, receipts from staff towards the cost of private use of official vehicles and receipts via Compensation Recovery Unit in respect of benefits paid in lieu.

** Amount that may be applied as non-operating appropriations in aid arising from receipts from sales of obsolete machinery, equipment, official vehicles, furniture and buildings.

| | £'000 | |
|--|-------------------|----------------------|
| | 2002-03 Provision | |
| | Operating A-in-A | Non-operating A-in-A |
| RfR4 | | |
| Modernising welfare delivery so as to improve the accessibility and accuracy of services. | | |
| Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits | 67,776 | – |
| Total for RfR4: | 67,776* | ** |
| * Amount that may be applied as appropriations in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering NI benefits . | | |
| ** Amount that may be applied as non-operating appropriations in aid arising from receipts from sales of obsolete machinery, equipment, official vehicles, furniture and buildings. | | |
| RfR5 | | |
| Corporate Contracts, support services and the administration of the European Social Fund for England | | |
| Receipts from the National Insurance Fund for the cost of administering National Insurance Benefits | 531,269 | – |
| Services carried out by the DWP on behalf of public and private sector bodies and members of the public | 12,523 | – |
| Receipts from mortgage lenders | 2,250 | – |
| Receipts from staff towards the cost of private use of official vehicles. | 964 | – |
| Receipts from sub-let accommodation. | 23,825 | – |
| Receipts from staff from private telephone calls. | 1 | – |
| Recovery of law costs from defendants. | 1,629 | – |
| Receipts from other departments /organisations in respect of outward secondments. | 1,382 | – |
| Receipts for EU Twinning funded projects | 150 | – |
| Payments from the Department for Education and Skills (international programmes) | 25,846 | – |
| Receipts in respect of the European Social Fund. | 99,998 | – |
| Receipts from sales of obsolete machinery, equipment, official vehicles, and furniture. | – | 2,630 |
| Joint International Unit Administration receipts | 714 | – |
| Profit/loss on asset disposals | 268 | – |
| Total for RfR5: | 700,819* | 2,630** |
| * Amount that may be applied as appropriation in aid in addition to the net total arising from receipts from the National Insurance Fund for the estimated cost of administering NI benefits , receipts from staff for the use of outside facilities, services carried out by Department for Work and Pensions on behalf of public and private sector bodies and members of the public, receipts from third parties for uninsured losses, receipts from staff for private telephone calls, recovery of law costs from defendants, receipts from sub-let accommodation, receipts from the sale of non capital items, receipts from the Department for Education and Skills in respect of Modern Apprenticeships, other departments /organisations in respect of outward secondments, receipts from staff towards the cost of private use of official vehicles, receipts from PRIME development gains, receipts in respect of the European Fast Stream, receipts from the EC to meet payment to Local Authorities and non exchequer bodies for education and training and employment projects training assisted by the European Social Fund, receipts for EU Twinning funded projects, Joint International Unit administration receipts, receipts from IT services to other government departments and payments from Department for Education and Skills for International Programmes. | | |
| ** Amount that may be applied as non operating appropriations in aid arising from receipts from sales of obsolete machinery, equipment, official vehicles, furniture and buildings. | | |
| Total A in A | 2,182,486 | 18,631 |

Analysis of Consolidated Fund extra receipts

| | 2002-03 Provision Income | £'000 Receipts |
|---|-----------------------------|-------------------|
| Levy on Pensions Industry collected by Occupational Pensions Regulatory Authority | 10,510 | 10,510 |
| Miscellaneous receipts | 3,000 | 3,000 |
| Recoveries in respect of previous Independent Living Fund scheme | 2 | 2 |
| Recoveries in respect of previous Rent Allowance scheme | 20 | 20 |
| Total | 13,532 | 13,532 |

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Minister of State for Work and Pensions to the House of Commons, the Department for Work and Pensions Resource Departmental Expenditure Limit (DEL) has been increased by £728,123,000 from £7,024,051,000 to £7,752,174,000 and the Administration Cost Limit has been increased by £561,526,000 from £4,996,673,000 to £5,558,199,000. Within the DEL change, the impact on resources and capital are set out below:

| Resources | | Capital | |
|------------------|----------------|----------------|--------------|
| Change | £620,767,000 | Change | £107,356,000 |
| New DEL | £7,513,746,000 | New DEL | £238,428,000 |
| of which: | | of which: | |
| Voted | £6,227,264,000 | Voted | £232,124,000 |
| Non Voted | £1,286,482,000 | Non Voted | £6,304,000 |

Expenditure resting on the sole authority of the Appropriation Act

Cash which may be retained to offset expenditure

£'000

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

2,201,117

Grant in Aid

RfR 2 includes grant in aid provision of the Health and Safety Commission ♥

213,900

RfR 3 includes grant in aid provision of the Disability Rights Commission ♥

14,881

Contingent liabilities

Amount £000

As at 31 March 2001, the following liabilities fell to be met from the Department's Estimate:

Statutory**Non-Statutory**

Department for Education and Employment Ministers gave their agreement 12,000

that Training and Enterprise Councils and third parties taking over TEC contracts could be offered indemnities in respect of certain liabilities that arose or continued after the contractual relationship with Government ended on 25 March 2001. The purpose of these indemnities was to give TEC Directors, or a liquidator, sufficient assurances to conclude that relationship and either return residual reserves owing to the Secretary of State, or distribute these with the Secretary of State's agreement at the earliest opportunity. For third parties, indemnities would protect them from claims relating to events prior to the novation of the contract.

To this end, the Employment Service has agreed to offer indemnities of less than £12m in respect of Employment Service contracts with TECs, that have been novated as a result of the conclusion of Government business, in respect of repayments claimed following audit of past contract activity.

There is an unquantifiable liability in respect of the legal responsibility that the Secretary of State has as sole guarantor of Remploy Ltd. The liability is secured by an all monies debenture. Unquantifiable

During the course of its normal business, the Employment Service frequently enters into large, sometimes long term, contracts with a wide range of private sector suppliers. The changing nature of Employment Service business, and its obligation to respond to prevailing government priorities can mean that it is occasionally in the Agency's interest to try to vary, re-negotiate or, in exceptional circumstances, cancel certain contracts. Where the Employment Service takes such action, it always does so on legal advice and so as to avoid a breach of contract. However, disputes occasionally arise which could result in the Employment Service making compensatory payments in response to legal proceedings or as part of an out of court settlement. The Employment Service considers that the disclosure of such cases in detail, particularly whilst negotiations are still in progress, could seriously prejudice the position if legal proceedings subsequently develop. There were no such contractual disputes outstanding at 31 March 2001 where a settlement had been reached and the value of a compensatory payment had been agreed. For cases still under negotiation, the total value of outstanding claims made against the Employment Service by suppliers at the time of the balance sheet date was less than £10m, but it is not yet known whether the Employment Service will need to make any compensatory payments. 10,000

Scotland Office

Introduction

1. This Supplementary Estimate is required to increase Scotland Office administration costs provision at Line A by £200,000 from £6,502,000 to £6,702,000 through the take-up of EYF, and to increase the provision for the Boundary Commission for Scotland at Line B through the take-up of EYF by £65,000 from £300,000 to £365,000. Additionally, the grant made to the Scottish Consolidated Fund at Line D increases by £1,428,912,000 from £16,556,000,000 to £17,984,912,000. This latter increase reflects:
 - (i) Net transfers from Other Government Departments to the Scottish Executive of £2,412,000;
 - (ii) EYF take-up by the Scottish Executive of £500,000,000;
 - (iii) Additional provision of £3,500,000 for safety cameras;
 - (iv) Additional provision of £3,000,000 for the Aggregates Levy Sustainability Fund; and
 - (v) One-off payment of £920,000,000 to repay outstanding PWLB debt principal in respect of the Glasgow Housing Stock Transfer.
2. As a result of these changes, there is an increase in the Net Cash Requirement of £xxx.
3. A reconciliation of the grant payable to the Scottish Consolidated Fund can be found at Annex A.
4. Symbols are explained in the Introduction to this booklet.

Part I**£**

| | |
|--|----------------------|
| RfR1: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | 1,429,177,000 |
| Total net resource requirement | 1,429,177,000 |
| Additional net cash requirement | 1,429,177,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Scotland Office on:

RfR1: 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.

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

Part II Changes proposed

| | | | | £'000 |
|---|--------------------------|---------------------------------|---------------------|-------------------------------|
| | Present Net Provision | Change in Gross Provision | Change in A in A | Change in Net Provision |
| Resources | | | | New Net Provision |
| RfR1: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government: | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | |
| RfR1 – A Scotland Office | 6,502 | 200 | – | 200 |
| RfR1 – B Boundary Commission for Scotland | 300 | 65 | – | 65 |
| RfR1 – D Grant payable to the Scottish Consolidated Fund | 16,556,000 | 1,428,912 | – | 1,428,912 |
| Total RfR1 | 16,562,802 | 1,429,177 | – | 1,429,177 |
| Total Changes to RfR | 16,562,802 | 1,429,177 | – | 1,429,177 |

| | Present Provision | Change in Provision | £'000 New Provision |
|-----------------------------|----------------------|------------------------|---------------------------|
| Capital and cash | | | |
| Total Capital Expenditure | 100 | – | 100 |
| Non-Operating A in A | – | – | – |
| Net cash requirement | 16,562,902 | 1,429,177 | 17,992,079 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 |
|--|--------------|---------------|-------------------|-------------------|------------|-------------------|------------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| RfR1: Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | 8,207 | 365 | 17,984,912 | 17,993,484 | 965 | 17,992,519 | 100 | -- | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Scotland Office | 7,667 | -- | -- | 7,667 | 965 | 6,702 | 100 | -- | |
| ★B Boundary Commission for Scotland | -- | 365 | -- | 365 | -- | 365 | -- | -- | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| C Scotland Office | 540 | -- | -- | 540 | -- | 540 | -- | -- | |
| Other spending outside DEL | | | | | | | | | |
| D Grant payable to the Scottish Consolidated Fund | -- | -- | 17,984,912 | 17,984,912 | -- | 17,984,912 | -- | -- | |
| Total | 8,207 | 365 | 17,984,912 | 17,993,484 | 965 | 17,992,519 | 100 | -- | |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | £'000 Revised |
|---|-------------------|-------------------------------|-------------------|
| Net total Resources | 16,563,342 | 1,429,177 | 17,992,519 |
| Voted capital items | | | |
| Capital expenditure | 100 | - | 100 |
| <i>less: non-operating A in A</i> | - | - | - |
| Total net voted capital | 100 | - | 100 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -178 | - | -178 |
| Depreciation | -362 | - | -362 |
| New provisions and adjustments to previous provisions | - | - | - |
| Other non-cash items | - | - | - |
| Increase (+)/decrease(-) in stock | - | - | - |
| Increase (+)/decrease(-) in debtors | - | - | - |
| Increase (+)/decrease(-) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -540 | - | -540 |
| Excess cash to be CFERd | - | - | - |
| Net cash requirement | 16,562,902 | 1,429,177 | 17,992,079 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | £'000 2002-03 provision |
|--|-------------------------------|
| Net Administration Costs | |
| RfR1 | |
| Paybill and Administration Expenditure | 6,702 |
| Other Costs | 540 |
| Total Net Administration costs | 7,242 |
| Net Programme Costs | |
| RfR1 | |
| Expenditure | 17,985,277 |
| Income | — |
| Total Net Programme costs | 17,985,277 |
| TOTAL NET OPERATING COST | 17,992,519 |
| <i>of which</i> | |
| NET RESOURCE OUTTURN | 17,992,519 |
| CFERs | — |
| Non-voted expenditure | — |
| RESOURCE BUDGET OUTTURN | 7,607 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 17,992,519 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | – |
| Consolidated Fund Extra Receipts (CFERs) in the OCS | – |
| Net Operating Costs (Accounts) | 17,992,519 |
| Resource Budget Outturn (Budget) | 7,607 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 7,067 |
| Annually Managed Expenditure (AME) | 540 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 provision |
|--|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 100 |
| Capital Budget Outturn | 100 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 100 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer responsibilities

1. The Treasury has appointed the Permanent Head of the Scotland Office, Mr David Crawley as Accounting Officer of the Department with overall responsibility for preparing the Department's Estimate.
2. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|---------------------|-------------------------|
| | 2002-03 Provision | |
| | Operating A in A | Non-operating A in A |
| RFR1 | | |
| Overseeing the effective operation of the devolution settlement in Scotland and representing the interests of Scotland within the UK Government | | |
| Total operating A in A | -965 | - |
| Total Non-operating A in A | - | - |
| Total RFR1 | -965 | - |

*The amount to be applied as operating appropriations in aid to the net total arises from receipts in respect of rent, payments from other departments for legal services and other receipts.

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Secretary of State for Scotland to the House of Commons, the Scotland Office DEL will change as follows:

| Resources | | Capital | |
|-----------|----------------|-----------|---------|
| Change | 514,577,000 | Change | – |
| New DEL | 18,290,311,000 | New DEL | 100,000 |
| of which: | | of which: | |
| Voted | 7,067,000 | Voted | 100,000 |
| Non Voted | 18,283,244,000 | Non Voted | – |

The Scotland Office administration cost limit has been increased by £200,000 from £6,502,000 to £6,702,000.

Expenditure resting on the sole authority of the Appropriation Act

There is no expenditure on this Estimate subject to the Appropriation Act.

Cash which may be retained to offset expenditure

£'000

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

965

Reconciliation of the grant payable to the Scottish Consolidated Fund with Total Managed Expenditure (TME) in Scotland: 2002-03

| | Present 2002-03 | Changes in provision | £m Current position |
|--|--------------------|-------------------------|---------------------------|
| Departmental Expenditure Limit (see Note 1) | 17,768 | 515 | 18,283 |
| Annually Managed Expenditure | 1,933 | –5 | 1,928 |
| Non Domestic Rates Income | 1,570 | – | 1,570 |
| Glasgow Housing Stock Transfer | – | 920 | 920 |
| Total Managed Expenditure | 21,271 | 1,429 | 22,700 |
| <i>Add:</i> | | | |
| Repayments of principle of existing (pre 1 April 1999) debt to National Loans Fund | 10 | – | 10 |
| Public Corporation market & overseas borrowing | – | – | – |
| | 10 | – | 10 |
| <i>Less:</i> | | | |
| SRO (not from Scottish Consolidated Fund) | 17 | – | 17 |
| Subsidy implied from Student Loans | 13 | – | 13 |
| Net capital allocation to Local Authorities | 632 | – | 632 |
| Non Domestic Rates Income | 1,570 | – | 1,570 |
| Draw down of deposits or borrowing by central government bodies | – | – | – |
| Expenditure financed by EC receipts | 199 | – | 199 |
| National Insurance Fund payments towards Scottish National Health Service | 574 | – | 574 |
| Intervention Board receipts supporting expenditure in DEL | 8 | – | 8 |
| Intervention Board receipts supporting expenditure in AME | 349 | – | 349 |
| Non-voted expenditure | 18 | – | 18 |
| | 3,380 | – | 3,380 |
| Cash to accruals adjustments | | | |
| Depreciation | 184 | – | 184 |
| Cost of capital | 1,035 | – | 1,035 |
| Movement of working capital | 1 | – | 1 |
| Transfers and net movements on provisions | 115 | – | 115 |
| Release from donated asset reserve | – | – | – |
| Expenditure financed by EC receipts | 1,335 | – | 1,335 |
| Other non-cash adjustments | | | |
| Timing adjustments | 10 | – | 10 |
| Grant payable to Scottish Consolidated Fund | 16,556 | 1,429 | 17,985 |

Notes

1. Excludes Scotland Office.

Wales Office

Introduction

This Supplementary Estimate is required for the following purposes:

1. To give effect to the take up of Administration Costs end year flexibility of £500,000 for the Wales Office at Line A.
2. To increase the grant made to the National Assembly for Wales at Line C by £79,112,000 to £8,748,630,000 for the following main reasons:
 - (i) to give effect to the take up of DEL end year flexibility of £55,000,000 for the National Assembly of Wales;
 - (ii) net transfers from Other Government Departments of £4,469,000;
 - (iii) an increase in receipts outside total managed expenditure of £11,286,000 to reflect changes announced in the April Budget;
 - (iv) a reduction in non-voted resource budgeting items by £23,870,000;
 - (v) a reduction in other non-voted items of £4,703,000;
 - (vi) consequential allocations of £2,356,000.
2. As a result of these changes there is an increase in the Net Cash Requirement of £79,612,000.
3. A reconciliation of the Assembly Grant to the Total Managed Expenditure of the National Assembly for Wales is contained in the Notes to the Estimate.
4. Symbols are explained in the Introduction to this booklet.

Part 1

£

RfR 1: 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. £79,612,000

Total net resource requirement £79,612,000

Additional Net Cash Required £79,612,000

Supplementary amount required in the year ending 31 March 2003 for expenditure by the Wales Office on:

RfR 1: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Government in Wales, and ensuring the smooth working of the devolution settlement in Wales.

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

The Wales Office will account for this estimate.

Part II Changes proposed

| Resources | Present Net Provision | Changes in Gross Provision | Changes in A-in-A | Changes in Net Provision | New Net Provision |
|---|--------------------------|----------------------------------|----------------------|--------------------------------|----------------------|
| RfR1: To support the Secretary of State in discharging his role of representing Wales in the UK Government, representing the UK Governments in Wales, and ensuring the smooth working of the devolution settlement in Wales. | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| ★ RfR1 – A Spending in Departmental Expenditure Limits (DEL) | 2,330 | 500 | – | 500 | 2,830 |
| Other Spending outside Departmental Expenditure Limits | | | | | |
| RfR1 – C Grant to Support Expenditure by the National Assembly for Wales | 8,669,518 | 79,112 | – | 79,112 | 8,748,630 |
| Total RfR | | 79,112 | – | 79,612 | |

| Capital and Cash | Present Net Provision | Change in Provision | New Provision |
|-----------------------------|--------------------------|------------------------|------------------|
| Total Capital Expenditure | 766 | – | 766 |
| Non-Operating A-in-A | – | – | – |
| Net cash requirement | 8,672,614 | 79,612 | 8,752,226 |

Note: The RfR1-C figure contained in the Wales Office Main Estimate was incorrectly quoted at £8,660,096,000.

Part II Revised subhead detail including additional provision

| | Resources | | | | | | Capital | |
|--|--------------|------------------|------------------|------------------|----------|------------------|------------|-----------------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non- Operating A in A |
| RfR 1: To 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 | 2,839 | 135 | 8,748,630 | 8,751,604 | 9 | 8,751,595 | 766 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A Wales Office | 2,839 | – | – | 2,839 | 9 | 2,830 | 766 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| B Wales Office | – | 135 | – | 135 | – | 135 | – | – |
| Other Spending outside Departmental Expenditure Limits | | | | | | | | |
| C Grant payable to The National Assembly For Wales | – | – | 8,748,630 | 8,748,630 | – | 8,748,630 | – | – |
| TOTAL | 2,839 | 135 | 8,748,630 | 8,751,604 | 9 | 8,751,595 | 766 | – |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | £'000 Revised |
|---|------------------|-------------------------------|------------------|
| Net total resources | 8,671,983 | 79,612 | 8,751,595 |
| Voted capital items | | | |
| Capital Expenditure | 766 | – | 766 |
| <i>less non-operating A-in-A</i> | – | – | – |
| Total Net voted capital | 766 | – | 766 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –100 | – | –100 |
| Depreciation | –35 | – | –35 |
| New provisions and adjustments to previous provisions | – | – | – |
| Other non-cash items | – | – | – |
| Increase(+)/decrease(-) in stock | – | – | – |
| Increase(+)/decrease(-) in debtors | – | – | – |
| Increase(+)/decrease(-) in creditors | – | – | – |
| Increase/decrease in Provisions | – | – | – |
| Total accruals to cash adjustments | –135 | | –135 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 8,672,614 | 79,612 | 8,752,226 |

Part III Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | £'000 2002–03 Provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | 2,830 |
| Total Net Administration costs | 2,830 |
| Net Programme Costs | |
| RfR1 | 8,748,765 |
| Total Net Programme costs | 8,748,765 |
| TOTAL NET OPERATING COST | 8,751,595 |
| <i>of which</i> | |
| NET RESOURCE OUTTURN | 8,751,595 |
| CFERs | |
| Non-voted expenditure | |
| RESOURCE BUDGET OUTTURN | 2,965 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 Provision |
| Net Resource Outturn (Estimates) | 8,751,595 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | |
| Consolidated Fund Extra Receipts in the OCS | |
| Net Operating Costs (Accounts) | 8,751,595 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts in the CFERs | - |
| Full resource consumption of public corporations | - |
| Voted expenditure outside the budget | - |
| Indemnity Guarantee and sale of shares | - |
| Unallocated resource provision | - |
| Other adjustments | - |
| Resource Budget Outturn | 2,965 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 2,830 |
| Annually Managed Expenditure (AME) | 135 |

Reconciliation of capital expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 Provision |
| Net Voted Capital Outturn (Estimates) | 766 |
| Full capital expenditure by public corporations | |
| Other adjustments | |
| Capital Budget Outturn | 766 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 766 |
| Annually Managed Expenditure (AME) | - |

Reconciliation of Grant

| | £'000 | | |
|--------------------------------------|-----------------------|-------------------------|----------------------|
| | Previous Provision | Changes in Provision | Revised Provision |
| Departmental Expenditure Limit | 9,283,912 | 61,825 | 9,343,737 |
| Annually Managed Expenditure | 1,146,279 | | 1,146,279 |
| TOTAL MANAGED EXPENDITURE | 10,430,191 | 61,825 | 10,492,016 |
| <i>Of which non-voted</i> | | | |
| LA Credit Approvals. | 266,157 | | 266,157 |
| Other Non-voted | 6,079 | -4,703 | 1,376 |
| Resource Budgeting Adjustments | | | |
| Timing | 49,023 | -23,870 | 25,153 |
| Depreciation | 175,982 | | 175,982 |
| Capital Charges | 553,963 | | 553,963 |
| Other | 48,119 | | 48,119 |
| Total Resource Budgeting adjustments | 827,087 | -23,870 | 803,217 |
| TOTAL NON-VOTED TME | 1,099,323 | -28,573 | 1,070,750 |
| TOTAL VOTED TME | 9,330,868 | 90,398 | 9,421,266 |
| Voted Receipts | | | |
| Receipts from the EU | -169,721 | | -169,721 |
| Contribution from the NI Fund | -341,991 | | -341,991 |
| Receipts from RPA | -150,954 | -11,286 | -162,240 |
| Other Voted non-TME payments | 1,316 | | 1,316 |
| | -661,350 | | -672,636 |
| Total Assembly Grant | 8,669,518 | 79,112 | 8,748,630 |

Explanation of Accounting Officer Responsibilities

1. The Treasury has appointed the Permanent Head of the Wales Office, Mrs Alison Jackson, as Accounting Officer of the Department with overall responsibility for preparing the Department's Estimate.
2. The Responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | £'000 | |
|--|---------------------|-----------------------------|
| | 2002-03 Provision | |
| | Operating A in A | Non- operating A in A |
| RfR1 | | |
| 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. | | |
| Total RfR1 | 9* | - |

* Amount that may be applied as operating appropriations in aid to the net total arises from receipts from rent for use of accommodation in Gwydyr House by the National Assembly for Wales.

DEL & Administration Cost Limits

As announced by the Secretary of State for Wales to the House of Commons, the Wales DEL will change as follows:

| Resources | | Capital | |
|-----------|-----------|-----------|---------|
| Change | 62,325 | Change | - |
| New DEL | 8,299,132 | New DEL | 766,000 |
| of which: | | of which: | |
| Voted | 2,830 | Voted | 766,000 |
| Non Voted | 8,296,302 | Non Voted | - |

The Wales Office Administration Costs Limit will be increased by £500,000 from £2,330,000 to £2,830,000

Cash which may be retained to offset expenditure

| | £'000 |
|---|-------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 9 |

Northern Ireland Office

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - (i) to give effect to the take up of DEL Departmental Unallocated Provision of £1,195,000 administrative costs. (RfR1: subhead A1)
 - (ii) to give effect to the take up of DEL Departmental Unallocated Provision of £9,919,000 other current costs. (RfR1: subhead A2)
 - (iii) to give effect to the take up of DEL Departmental Unallocated Provision of £576,000 capital costs. (RfR1: subhead A7)
 - (iv) to give effect to the take up of DEL end year flexibility of £10,000,000 administrative costs as set out in the Public Expenditure White Paper (Cm 5574) (RfR1: subhead A1)
 - (v) to give effect to the take up of DEL end year flexibility of £45,000,000 other current costs as set out in the Public Expenditure White Paper (Cm 5574) (RfR1: subhead A2)
 - (vi) to give effect to the take up of DEL end year flexibility of £5,000,000 capital costs as set out in the Public Expenditure White Paper (Cm 5574) (RfR1: subhead A7)
2. Symbols are explained in the Introduction to this booklet.

Part 1

| | £ |
|--|-------------------|
| RfR1: 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 risk of re-offending. | 66,114,000 |
| Total net resource requirement | 66,114,000 |
| Additional net cash requirement | 71,690,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Northern Ireland Office on:

RfR1: 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 risk of re-offending:

expenditure on central administration services; VIP visits to Northern Ireland; the Bloody Sunday Inquiry; Reviews and Commissions arising from the Good Friday Agreement; expenditure arising from the Northern Ireland Act 1998 and Northern Ireland Act 2000; forensic services; services related to crime; criminal justice including juvenile justice services; probation and after-care; state pathology; Crown prosecutions and other legal services; compensation schemes; Criminal Injuries Compensation Appeals Panel for Northern Ireland; European Union peace and reconciliation projects; and certain other grants; implementation of the Independent Commission on Police findings; security; the Police Ombudsman; the Independent Assessor of Military Complaints Procedures in Northern Ireland; the Parades Commission; arms decommissioning; policing; prisons including the Prison Service Trust; and associated non-cash items.

RfR2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998:

grants to the Northern Ireland Consolidated Fund and transfers of EU funds

The Northern Ireland Office will account for the Estimate

Part II: Changes proposed

| | | | | £'000 |
|--|--------------------------|---------------------------------|---------------------|-------------------------------|
| Resources | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision |
| | | | | New Net Provision |
| RfR1: 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 risk of re-offending. | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | |
| RfR1 – A Central Administration | 34,121 | 66,114 | – | 66,114 |
| Total RfR 1 | 34,121 | 66,114 | – | 66,114 |
| Total changes to RfRs | 34,121 | 66,114 | – | 66,114 |

| | | | £'000 |
|-----------------------------|----------------------|------------------------|------------------|
| Capital and Cash | Present Provision | Change in Provision | New Provision |
| Total Capital Expenditure | 55,494 | 5,576 | 61,070 |
| Non-Operating A in A | 869 | – | 869 |
| Net cash requirement | 9,268,796 | 71,690 | 9,340,486 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|----------------|----------------|----------------|------------------|--------------|------------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1: Playing a full part in implementing the Good Friday Agreement and representing the interests of Northern Ireland in the United Kingdom Government; supporting and developing a sufficient, effective and responsive criminal justice system; upholding and sustaining the rule of law and preventing crime; and maintaining a secure and humane prison service and reducing the risk of re-offending | 161,813 | 933,409 | 156,957 | 1,252,179 | 7,431 | 1,244,748 | 61,070 | 869 |
| Spending in Departmental Expenditure Limits (DEL): | | | | | | | | |
| <i>Central governments spending</i> | | | | | | | | |
| ★A Central Administration | 34,184 | 68,569 | – | 102,753 | 2,518 | 100,235 | 10,980 | 485 |
| ★B Ministers | 3,198 | – | – | 3,198 | – | 3,198 | – | – |
| ★C Political Directive | 4,628 | 5,077 | 750 | 10,455 | 230 | 10,225 | 26 | – |
| ★D Bloody Sunday (Saville) Inquiry | 750 | 4,436 | – | 5,186 | – | 5,186 | – | – |
| ★E Department of the Director of Public Prosecutions | 5,894 | 4,601 | – | 10,495 | 86 | 10,409 | 28 | – |
| ★F Forensic Science Northern Ireland | 4,349 | 224 | – | 4,573 | 4,348 | 225 | 384 | 384 |
| G Criminal Justice | 10,913 | 11,185 | 22,509 | 44,607 | – | 44,607 | 526 | – |
| ★H Compensation Agency | 3,836 | 2,593 | 87,250 | 93,679 | 180 | 93,499 | 22 | – |
| ★I Matching Funding for EUPRP | – | – | – | – | – | – | – | – |
| ★J EUPRP | – | – | – | – | – | – | – | – |
| ★K Policing and Security | 3,861 | 7,486 | 6,396 | 17,743 | 10 | 17,733 | 2 | – |
| ★L Police | – | 592,159 | – | 592,159 | – | 592,159 | 19,907 | – |
| ★M Policing – Severance | – | 146,428 | – | 146,428 | – | 146,428 | – | – |
| ★N Policing – Non severance | – | 10,800 | – | 10,800 | – | 10,800 | 15,000 | – |
| ★O Northern Ireland Prison service | 90,200 | 9,958 | – | 100,158 | 59 | 100,099 | 14,195 | – |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Central governments spending</i> | | | | | | | | |
| P Police Pensions | – | – | 35,700 | 35,700 | – | 35,700 | – | – |
| Q European Union Peace & Reconciliation Programme | – | – | – | – | – | – | – | – |
| <i>Non-Cash items</i> | | | | | | | | |
| R Central Administration | – | 7,971 | – | 7,971 | – | 7,971 | – | – |
| S Political Directive | – | 79 | – | 79 | – | 79 | – | – |
| T Bloody Sunday (Saville) Inquiry | – | 17 | – | 17 | – | 17 | – | – |
| U Department of the Director of Public Prosecutions | – | 43 | – | 43 | – | 43 | – | – |
| V Forensic Science Northern Ireland | – | 610 | – | 610 | – | 610 | – | – |
| W Criminal Justice | – | 700 | – | 700 | – | 700 | – | – |
| X Compensation Agency | – | 180 | – | 180 | – | 180 | – | – |
| Y Policing and Security | – | 826 | – | 826 | – | 826 | – | – |
| Z Police | – | 44,507 | – | 44,507 | – | 44,507 | – | – |
| AA Northern Ireland Prison service | – | 14,960 | – | 14,960 | – | 14,960 | – | – |

Part II: Revised subhead detail including additional provision (continued)

| | Resources | | | | | | Capital | £'000 |
|--|----------------|----------------|------------------|------------------|--------------|------------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| Other Spending outside Departmental Expenditure Limits | | | | | | | | |
| AB Criminal Justice | - | - | 4,352 | 4,352 | - | 4,352 | - | - |
| AC Policing & Security | - | - | - | - | - | - | - | - |
| RfR2: Providing appropriate funding to the Northern Ireland Consolidated Fund for the delivery of transferred public services as defined by the Northern Ireland Act 1998 | - | - | 8,089,000 | 8,089,000 | - | 8,089,000 | - | - |
| Other Spending outside Departmental Expenditure Limits | | | | | | | | |
| A Grants to Northern Ireland Consolidated Fund | - | - | 8,088,999 | 8,088,999 | - | 8,088,999 | - | - |
| B European Institutions (net) | - | - | 1 | 1 | - | 1 | - | - |
| TOTAL | 161,813 | 933,409 | 8,245,957 | 9,341,179 | 7,431 | 9,333,748 | 61,070 | 869 |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (-) | Revised |
|---|------------------|-------------------------------|------------------|
| | | | £'000 |
| Net Total Resources | 9,267,634 | 66,114 | 9,333,748 |
| Voted Capital Items: | | | |
| Capital | 55,494 | 5,576 | 61,070 |
| less Non-operating A-in-A | 869 | — | 869 |
| Total net voted capital | 54,625 | 5,576 | 60,201 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -36,236 | | -36,236 |
| Depreciation | -33,602 | | -33,602 |
| New provisions and adjustments to previous provisions | -1,150 | | -1,150 |
| Other non-cash items | -1,394 | | -1,394 |
| Increase(+)/decrease(-) in stock | -13 | | -13 |
| Increase(+)/decrease(-) in debtors | -416 | | -416 |
| Increase(+)/decrease(-) in creditors | -8 | | -8 |
| Use of provisions | 19,356 | | 19,356 |
| Total accruals to cash adjustments | -53,463 | | -53,463 |
| Excess cash to be CFERd | — | — | — |
| Net cash requirement | 9,268,796 | 71,690 | 9,340,486 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

| | £'000 |
|---------------------------------------|----------------------|
| | 2002-03 Provision |
| Net Administration Costs | |
| RfR1 | 154,691 |
| RfR2 | <u>—</u> |
| Total Net Administration costs | 154,691 |
| Net Programme Costs | |
| RfR1 | 1,090,057 |
| RfR2 | <u>8,089,000</u> |
| Total Net Programme costs | 9,179,057 |
| TOTAL NET OPERATING COST | 9,333,748 |
| <i>of which</i> | |
| NET RESOURCE OUTTURN | 9,333,748 |
| RESOURCE BUDGET OUTTURN | 1,233,546 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|--|------------------|
| | 2002-03 |
| | Provision |
| Net Resource Outturn (Estimates) | 9,333,748 |
| <i>Adjustments for:</i> | |
| Net Operating costs (Accounts) | 9,333,748 |
| <i>Adjustments for:</i> | |
| Capital grants to the private sector and local authorities | -4,352 |
| European Union income and related adjustments | 305,201 |
| Voted expenditure outside the budget | -8,394,201 |
| Unallocated resource provision | - |
| Other adjustments | -6,850 |
| Resource Budget Outturn | 1,233,546 |
| <i>of which:</i> | |
| Departmental Expenditure Limit | 1,147,309 |
| Annually Managed Expenditure | 86,237 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|------------------|
| | 2002-03 |
| | Provision |
| Net voted capital Outturn (Estimates) | 60,201 |
| Capital Budget Outturn | 64,553 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 64,553 |

Explanation of Accounting Officer responsibilities

1. The Treasury has appointed the Permanent Under Secretary of the Northern Ireland Office, Sir Joseph Pilling, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.
2. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|---------------------|----------------------------|
| | 2002-03 Provision | |
| | Operating A in A | Non operating A in A |
| RfR1: Playing a full part in implementing the Belfast 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 risk of re-offending; | | |
| Income from sale of land and buildings | – | 869 |
| Income from licences | 10 | – |
| Income from fees and charges | 64 | – |
| Recovery of costs | 7,324 | – |
| Income from other sales | 33 | – |
| Total RfR1 | 7,431* | 869** |

* The amount to be applied as operating appropriations in aid to the net total, arising from recoupment of electoral expenses, shared accommodation costs, receipts for the use of video conference facilities, certain pension contributions, receipts for accruing superannuation liability charges, fees and costs recovered or received for work done for other departments, recovery of compensation paid, arising from the recovery of costs associated with supplying forensic science services, costs and fees awarded in favour of the Crown, receipts arising from arms decommissioning, proceeds of prison occupational services, sale of surplus stores and catering equipment, creche fees, and tuck shop receipts.

** The amount to be applied as non operating appropriations in aid to the net total, arising from the sale of residential properties.

Departmental Expenditure Limits and Administrative Cost Limits

As announced to the House of Commons, the Northern Ireland Office DEL, will change as the follows:

| Resources | | Capital | |
|------------------|-----------|----------------|--------|
| Change | 55,000 | Change | 5,000 |
| New DEL | 1,147,309 | New DEL | 64,553 |
| of which: | | of which: | |
| Voted | 1,147,309 | Voted | 64,553 |
| Non Voted | – | Non Voted | – |

The administration cost limit has been increased by £10,000,000 from £144,716,000 to £154,766,000.

HM Treasury

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - (i) to take up £249,000 resources and £33,000 capital to reflect the transfer of the National Investment and Loans Office (NILO) estimate provision. This follows the merger of NILO with HM Treasury and the Debt Management Office on 1 July 2002. (RfR1: subheads A1, A2, A5, A7, B1, B2, B5, B7, I1, J1, P5 and P8)
 - (ii) to transfer £67,000 to HM Customs and Excise for administrative costs incurred by the Penrose Inquiry Team (RfR1: subhead A1)
 - (iii) to draw down £235,000 from the Invest to Save Budget (ISB) for an evaluation of the ISB programme. (RfR1: subhead A2)
 - (iv) to draw down £250,000 from the ISB for a research project into central government databases. (RfR1: subhead A2)
 - (v) to provide for an increase in appropriations in aid of £992,000 in respect of increased revenue for the Office of the Paymaster General (OPG) and a matching £992,000 expenditure for the associated payments by the OPG. (RfR1: subhead A2)
 - (vi) to switch £294,000 from the non-voted departmental unallocated provision to the Inter-Parliamentary Union. (RfR1: subhead D3)
2. As a result of the above changes and underspending in cash on RfR3 there is no change in Net Cash Requirement of £183,059,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

| | £ |
|--|----------------|
| RfR1: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all | 712,000 |
| Total net resource requirement | 712,000 |
| Additional net cash requirement | – |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by HM Treasury on:

RfR1: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all: economic, financial and related administration; grants in aid to four Parliamentary Bodies; expenses in connection with honours and dignities; a grant in aid to the Statistics Commission; payments relating to the Debt Management Office; payments under an indemnity guarantee in respect of Paymaster; investment in Troika Insurance Company Limited; payments to the Royal Mint; management and sales of residual Government shareholdings and holdings of privatised companies debt; associated non-cash items.

RfR2: 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; associated non-cash items.

RfR3: Obtaining the best value for money from Government's commercial relationship on a sustainable basis: administration and other related costs (including payments to Partnerships UK) of the Office of Government Commerce and OGCbuying.solutions; management and disposal of the surplus civil estate; management of the Whitehall District Heating and Standby Distribution Systems; associated non-cash items.

HM Treasury will account for this Estimate.

Part II: Changes proposed

| | Present Net Provision | Change in Gross provision | Change in AinA | Change in Net Provision | £'000 New Net Provision |
|--|--------------------------|------------------------------|-------------------|----------------------------|-------------------------------|
| Resources | | | | | |
| RfR1: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 A Administration | 79,858 | 5,840 | 5,177 | 663 | 80,521 |
| RfR1 B Debt Management Office | 5,900 | 1,753 | 1,806 | -53 | 5,847 |
| RfR1 D Parliament and Privy Council | 459 | 294 | - | 294 | 753 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Non-cash items</i> | | | | | |
| RfR1 I Administration | 111,599 | 6 | - | 6 | 111,605 |
| RfR1 J Debt Management Office | 585 | 51 | - | 51 | 636 |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 P Payment from the National Investment and Loans Office in respect of a Machinery of Government transfer | - | - | 249 | -249 | -249 |
| Total RfR1 | | 7,944 | 7,232 | 712 | |
| TOTAL CHANGES TO RFRs | | 7,944 | 7,232 | 712 | |

| | Present provision | Change in provision | £000 New provision |
|-----------------------------|----------------------|------------------------|--------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 7,561 | 33 | 7,594 |
| Non-Operating A-inA | 2,105 | 33 | 2,138 |
| Net cash requirement | 183,059 | - | 183,059 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 |
|--|----------------|----------------|------------|----------------|---------------|----------------|--------------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| RfR1: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all | 95,290 | 115,280 | 753 | 211,323 | 8,047 | 203,276 | 4,713 | 33 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★A Administration | 80,126 | 5,680 | – | 85,806 | 5,285 | 80,521 | 3,690 | – | |
| ★B Debt Management Office | 6,803 | 1,550 | – | 8,353 | 2,506 | 5,847 | 1,023 | – | |
| ★C Payment to FSA for carrying out insurance and supervision responsibilities | – | – | – | – | – | – | – | – | |
| ★D Parliament and Privy Council | – | – | 753 | 753 | – | 753 | – | – | |
| ★E Other Services | – | 1,023 | – | 1,023 | 7 | 1,016 | – | – | |
| ★F Provision of information to business about the euro | – | – | – | – | – | – | – | – | |
| ★G Statistics Commission | – | 1,350 | – | 1,350 | – | 1,350 | – | – | |
| H Royal Mint | – | – | – | – | – | – | – | – | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| I Administration | 7,725 | 103,880 | – | 111,605 | – | 111,605 | – | – | |
| J Debt Management Office | 636 | – | – | 636 | – | 636 | – | – | |
| K Partnerships UK | – | 1,200 | – | 1,200 | – | 1,200 | – | – | |
| L Privatisation programme sale of shares | – | 597 | – | 597 | – | 597 | – | – | |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| M Payment under the indemnity guarantee in respect of paymaster | – | – | – | – | – | – | – | – | |
| N Privatisation programme sale of shares | – | – | – | – | – | – | – | – | |
| O Administration | – | – | – | – | – | – | – | – | |
| P Payment from the National Investment and Loans Office in respect of a Machinery of Government transfer | – | – | – | – | 249 | –249 | – | 33 | |
| RfR2: Cost effective management of the supply of coins and actions to protect the integrity of coinage | – | 38,366 | – | 38,366 | – | 38,366 | – | – | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | | |
| A UK Coinage | – | 32,000 | – | 32,000 | – | 32,000 | – | – | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| B UK Coinage | – | 6,366 | – | 6,366 | – | 6,366 | – | – | |
| RfR3: Obtaining the best value for money from Government's commercial relationship on a sustainable basis | 47,348 | -16,772 | – | 30,576 | 30,575 | 1 | 2,881 | 2,105 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government's spending</i> | | | | | | | | | |
| A Office of Government Commerce | 45,319 | 5,570 | – | 50,889 | 30,575 | 20,314 | 2,881 | 2,105 | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| B Office of Government Commerce | 2,029 | -23,012 | – | -20,983 | – | -20,983 | – | – | |
| Other spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| C Office of Government Commerce | – | 670 | – | 670 | – | 670 | – | – | |
| TOTAL | 142,638 | 136,874 | 753 | 280,265 | 38,622 | 241,643 | 7,594 | 2,138 | |

Part II: Resource to cash reconciliation

| | Present | Increase (+)/ Decrease (-) | £000 Revised |
|---|----------------|-------------------------------|-----------------|
| Net total Resources | 240,931 | 712 | 241,643 |
| Voted capital items | | | |
| Capital expenditure | 7,561 | 33 | 7,594 |
| <i>less: non-operating A in A</i> | <u>2,105</u> | <u>33</u> | <u>2,138</u> |
| Total net voted capital | 5,456 | - | 5,456 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -117,649 | -20 | -117,669 |
| Depreciation | -7,967 | -30 | -7,997 |
| New provisions and adjustments to previous provisions | 25,582 | -7 | 25,575 |
| Other non-cash items | | -15 | -15 |
| Increase (+)/decrease (-) in stock | | | 0 |
| Increase (+)/decrease (-) in debtors | | 5 | 5 |
| Increase (-)/decrease (+) in creditors | | -8 | -8 |
| Use of provisions | <u>36,706</u> | <u>44</u> | <u>36,750</u> |
| Total accruals to cash adjustments | -63,328 | -31 | -63,359 |
| Adjustment to reflect underspending on RfR3 | - | -681 | -681 |
| Excess cash to be CFERd | - | - | - |
| Net cash requirement | 183,059 | - | 183,059 |

Part III: Extra receipts payable to the Consolidated Fund

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

| | Present provision | | New Provision | |
|---|-------------------|--------------|---------------|--------------|
| | Income | Receipts | Income | Receipts |
| Operating income not classified as A in A | 2,113 | 1,788 | 2,113 | 1,788 |
| Non operating income not classified as A in A | - | - | - | - |
| Other amounts collectable on behalf of the Consolidated Fund | 1,515, | - | 1,565 | 50 |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - |
| Total | 3,268 | 1,788 | 3,678 | 1,838 |

Forecast Operating Costs Statement

| | 2002-03 provision |
|---------------------------------------|----------------------|
| Net Administration Costs | |
| RfR1 | 93,150 |
| RfR2 | - |
| RfR3 | <u>25,304</u> |
| Total Net Administration Costs | 118,454 |
| Net Programme Costs | |
| RfR1 | 109,801 |
| RfR2 | 38,366 |
| RfR3 | -27,091 |
| Bank of England | <u>12,682</u> |
| Total Net Programme costs | 135,871 |
| TOTAL NET OPERATING COST | 252,212 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 241,643 |
| CFERs | -2,113 |
| Non-voted expenditure | 12,682 |
| RESOURCE BUDGET OUTTURN | 272,204 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|------------------|
| | <u>2002-03</u> |
| | <u>provision</u> |
| Net Resource Outturn (Estimates) | 241,643 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | 12,682 |
| Consolidated Fund Extra Receipts in the OCS | -2,113 |
| Net Operating Costs (Accounts) | 252,212 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts in the (CFERs) | -1,565 |
| Full resource consumption of public corporations | 3,330 |
| Voted expenditure outside the budget: | -421 |
| NILO receipt and OGC | |
| Unallocated resource provision | 2,005 |
| Other adjustments: Euro MPs and Civil List | 16,643 |
| Resource Budget Outturn (Budget) | 272,204 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 199,681 |
| Annually Managed Expenditure (AME) | 68,498 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|---|------------------|
| | <u>2002-03</u> |
| | <u>provision</u> |
| Net Voted Capital Outturn (Estimates) | 5,456 |
| <i>Adjustments for:</i> | |
| Full capital expenditure by public corporations | 4,300 |
| Voted receipts outside the budget: NILO receipt | 33 |
| Capital Budget Outturn | 9,789 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 5,789 |
| Annually Managed Expenditure (AME) | 4,000 |

Explanation of Accounting Officer responsibilities

The Permanent Secretary to the Treasury is Principal Accounting Officer with overall responsibility for preparing the Department's Estimate. In addition, the Treasury has appointed an Additional Accounting Officer for the Office of Government Commerce, to be responsible for that part of the Department's accounts relating to a specified request for resources and the associated assets, liabilities and cash flows. This appointment does not detract from the Permanent Secretary's overall responsibility as Accounting Officer for the Department's Estimate and overall cash requirement.

The allocation of Accounting Officer responsibilities in the Treasury is as follows:

Request for Resources 1: Gus O'Donnell, Principal Accounting Officer and Permanent Head of Department

Request for Resources 2: Gus O'Donnell, Principal Accounting Officer and Permanent Head of Department

Request for Resources 3: Mr Peter Gershon, Additional Accounting Officer and Chief Executive of the Office of Government Commerce

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in Government Accounting. Under the terms of the Accounting Officers' Memorandum the relationship between the Treasury's Principal Accounting Officer and Additional Accounting Officer, together with their respective responsibilities is set out in writing.

Analysis of Appropriations in Aid

| | £'000 | |
|---|---------------------|-----------------------------|
| | Provision 2002-03 | |
| | Operating A in A | Non- operating A in A |
| RfR1: Raising the rate of sustainable growth, and achieving rising prosperity, through creating economic and employment opportunities for all. | | |
| Charges for courses, services provided by the Economist Group Management Unit and Officers loaned to other organisations, sale of publications, receipts from the European Community; costs from minor occupiers; recovery actions in connection with Barlow Clowes and European Fast Stream income from Cabinet Office | 108 | |
| Fees and charges for services provided by the OPG | 5,177 | |
| Income due to the Debt Management Office for advertising costs, stock exchange listings data provision, management and administration of certain public and private funds and provision of a lending service to local authorities | 2,506 | |
| Payment from NILO in respect of its merger with HM Treasury and DMO | 249 | 33 |
| Recoveries in respect of Honours and Dignities | 7 | |
| Total RfR1 | 8,047* | 33** |
| *Amount that may be applied as appropriations in aid in addition to the net total, arising from recoveries in respect of administration of the Treasury, including charges for courses, services provided by the Economist Group Management Unit and Officers loaned to other organisations, including the salary of the UK Executive Director of the International Monetary Fund/International Bank for Reconstruction and Development who is a Treasury employee; income from publications, travel costs recovered from the European Community; recoveries of costs from minor occupiers; income from recovery actions in connection with Barlow Clowes; income from fees charged to Foreign Investment Exchange/Clearing Houses; recoveries in respect of Honours and Dignities; income in respect of insurance sponsorship and supervision responsibilities; income due to the Debt Management Office for advertising costs, stock exchange listings, the facilitation of data provision, management and administration of certain public and private funds and provision of a lending service to local authorities; European Fast Stream income from Cabinet Office; amount arising from the sale of shares and debt; fees and charges for services provided by the OPG; the merger of NILO with HM Treasury | | |
| **Amount that may be applied as non-operating appropriations in aid arising from the sale of investments and assets and the merger of NILO with HM Treasury. | | |
| RfR3: Obtaining the best value for money from Government's commercial relationship on a sustainable basis. | | |
| Consultancy and other customer services | 22,044 | |
| Temporary hiring of vacant property, charges for the Whitehall District Heating and Standby Systems, sale of surplus energy, sale of fixed assets | 8,531 | 2,105 |
| Total RfR3 | 30,575* | 2,105** |
| *Amount that may be applied as appropriations in aid in addition to the net total, arising from income from consultancy and other customer services, hirings of vacant property, charges for users of Whitehall District Heating and Standby Systems and sales of surplus energy. | | |
| ** Amount that may be applied as non-operating appropriations in aid arising from income from the sale of fixed assets including disposals of surplus freehold and leasehold interests. | | |
| Total A in A | 38,622 | 2,138 |

Analysis of extra receipts payable to the Consolidated Fund

| | £'000 | |
|---------------------------------|--------------|-------------------------------|
| | Income | 2002-03 provision Receipts |
| Interest payments | 325 | |
| Civil List | 1,515 | |
| OPG | 50 | 50 |
| Excess income from OGC services | 1,788 | 1,788 |
| Total | 3,678 | 1,838 |

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Chancellor of the Exchequer to the House of Commons, HM Treasury's Departmental Expenditure Limit will change as follows:

| Resources | | Capital | |
|------------------|---------|----------------|-------|
| Change | -3,790 | Change | 33 |
| New DEL | 199,681 | New DEL | 5,789 |
| of which: | | of which: | |
| Voted | 137,401 | Voted | 5,489 |
| Non Voted | 62,280 | Non Voted | 300 |

The Administration Cost Limit has been increased by £1,908 from £108,296 to £110,204.

Cash which may be retained to offset expenditure

| | £'000 |
|---|--------------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 38,662 |

HM Customs and Excise

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - (i) to give effect to the take up of DEL end year flexibility of £21,177,000 resources on administration costs as set out in the Public Expenditure Outturn White Paper (Cm 5574) (Subhead A). £5,000,000 will be put towards funding for the new fraud strategies;
 - (ii) to transfer £8,500,000 from Departmental Unallocated Provision which Treasury has authorised to spend on e-Government Initiatives (Subhead A);
 - (iii) to switch non-discretionary programme expenditure of £40,400,000 into resources on administration costs to meet the the largest proportion of the funding requirements of the new fraud strategies (Subhead A);
 - (iv) a transfer of £67,000 resources on administration costs from HM Treasury for setting up of the Penrose Inquiry team (Subhead A);
 - (v) to give effect to the take up of DEL end year flexibility of £29,588,000 resources on programme expenditure as set out in the Public Expenditure Outturn White Paper (Cm 5574) (Subhead A);
 - (vi) a transfer of £46,000 resources on programme expenditure from RDS (Home Office) in respect of Cocaine Market Sizing Research (Subhead A);
 - (vii) to allow for a classification change of £4,039,000 between DEL and AME in relation to provisions. This does not affect the overall Resource Budget Outturn nor the total Request for Resources.
2. Changes to Net Cash Requirement of £59,378,000.
3. Symbols are explained in the Introduction to this booklet.

Part I

£

| | |
|---|-------------------|
| RfR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations | 59,378,000 |
| Total net resource requirement | 59,378,000 |
| Additional net cash requirement | 59,378,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by HM Customs and Excise on:

RfR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations

Administrative costs of taxation; the operation of customs revenue controls; the provision of trade information and other customs and excise related services; payments in respect of Shipbuilders' Relief and the Customs and Excise National Museum; residual incentive payments to encourage the use of on-line filing of VAT returns; the regulation of activities of money service businesses; and on associated non-cash items.

The **Customs and Excise Department** will account for this Estimate.

Part II: Changes proposed

| Resources | Present Net Provision | Change in Gross provision | Change in A in A | Change in Net Provision | £000 New Net Provision |
|---|-----------------------|---------------------------|------------------|-------------------------|---------------------------|
| RfR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A | 990,232 | 55,339 | – | 55,339 | 1,045,571 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| RfR1 – C | 65,654 | 4,039 | – | 4,039 | 69,693 |
| Total RfR1 | | 59,378 | – | 59,378 | |
| Total Changes to RfR | | 59,378 | – | 59,378 | |

| Capital and Cash | Present Net Provision | Change in provision | £000 New Provision |
|-----------------------------|-----------------------|---------------------|-----------------------|
| Total Capital Expenditure | 62,177 | – | 62,177 |
| Non-Operating A-inA | 759 | – | 759 |
| Net cash requirement | 1,049,170 | 59,378 | 1,108,548 |

Part II: Revised subhead detail including additional provision

| Resources | Resources | | | | | | Capital | £*000 |
|--|------------------|--------------------|-------------|------------------|---------------|------------------|---------------|---------------------------|
| | 1 Admin | 2 Other Current | 3 Grants | 4 Gross Total | 5 A in A | 6 Net Total | 7 Capital | 8 Non-Operating A in A |
| RfR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations. | 1,059,767 | 72,670 | 435 | 1,132,872 | 17,607 | 1,115,265 | 62,177 | 759 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★A Administration | 991,396 | 71,148 | 435 | 1,062,979 | 17,408 | 1,045,571 | 62,177 | 759 |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| B Administration | – | – | – | – | – | – | – | – |
| Non-cash items | | | | | | | | |
| C Administration | 68,371 | 1,322 | – | 69,693 | – | 69,693 | – | – |
| Other Spending Outside Departmental Expenditure Limits | | | | | | | | |
| D Operational local clearance procedures | – | 200 | – | 200 | 199 | 1 | – | – |
| Total | 1,059,767 | 72,670 | 435 | 1,132,872 | 17,607 | 1,115,265 | 62,177 | 759 |

Part II: Resource to cash reconciliation

| | Present Provision | Increase (+)/ Decrease (-) | £000 Revised Provision |
|---|----------------------|-------------------------------|------------------------------|
| Net total Resources | 1,055,887 | 59,378 | 1,115,265 |
| Voted capital items | | | |
| Capital expenditure | 62,177 | – | 62,177 |
| Less non-operating A in A | 759 | – | 759 |
| Total net voted capital | 61,418 | – | 61,418 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –16,259 | – | –16,259 |
| Depreciation | –49,161 | – | –49,161 |
| New provisions and adjustments to previous provisions | –348 | –4,039 | –4,387 |
| Other non-cash items | –130 | – | –130 |
| Increase (+)/decrease (-) in stock | – | – | – |
| Increase (+)/decrease (-) in debtors | –2,265 | – | –2,265 |
| Increase (-)/decrease (+) in creditors | 28 | – | 28 |
| Use of provisions | – | 4,039 | 4,039 |
| Total accruals to cash adjustments | –68,135 | – | –68,135 |
| Excess cash to be CFERd | – | – | – |
| Net Cash Requirement | 1,049,170 | 59,378 | 1,108,548 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | £'000 2002–03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | 1,052,653 |
| Total Net Administration Costs | 1,052,653 |
| Net Programme Costs | |
| RfR1 | 62,612 |
| Total Net Programme Costs | 62,612 |
| TOTAL NET OPERATING COST | 1,115,265 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 1,115,265 |
| RESOURCE BUDGET OUTTURN | 1,144,003 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002–03 provision |
|--|-------------------------------|
| Net Resource Outturn (Estimates) | 1,115,265 |
| Net Operating Costs (Accounts) | 1,115,265 |
| <i>Adjustments for:</i> | |
| Unallocated resource provision (dual key e-Business funding) | 24,700 |
| Non-Voted-applied provisions | 4,039 |
| Voted expenditure outside the budget covers operational local clearance procedures | –1 |
| Resource Budget Outturn (Budget) | 1,144,003 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 1,074,310 |
| Annually Managed Expenditure (AME) | 68,464 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002–03 provision |
|--|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 61,418 |
| Unallocated capital provision, including dual key e-Business funding | 23,000 |
| Capital Budget Outturn | 84,418 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 84,418 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer Responsibilities

The Treasury has appointed the Permanent Head of HM Customs and Excise, Mr Richard Broadbent, as Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | £'000 | |
|---|------------------|---|
| | Operating A-in-A | 2002–03 Provision Non-operating A-in-A |
| RfR1: Administering the indirect tax and customs control systems fairly and efficiently, enabling individuals and businesses to understand and comply with their obligations | | |
| Income from charges for special attendance | 940 | – |
| Income from recovery of costs and expenses | 8,267 | – |
| Income from international commitment charges | 2,343 | – |
| Income from the sale of certificates and statistical services | 326 | – |
| Income from Estate Management services | 1,515 | – |
| Income from Shipbuilders' Relief | 3,517 | – |
| Local clearance procedure receipts | 199 | – |
| Other miscellaneous receipts | 500 | – |
| Income from sale of fixed assets | – | 759 |
| Total RfR1 | 17,607* | 759** |

* Amount that may be applied as appropriations in aid in addition to the net total arising from income received: for the special attendance of officers, from charges for international commitments, from the sale of statistical services and certificates and from estate management services, the recovery of law costs, the costs of staff on loan, 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, marine fuel relief, and other miscellaneous administration and programme costs receipts.

** Amount that may be applied as non-operating appropriations in aid, arising from the recovery of income from the sale of fixed assets and from the sale of land and buildings.

Departmental Expenditure Limits and Administration Costs Limits

As announced by the Chancellor of the Exchequer to the House of Commons, the HM Customs and Excise DEL will change as follows:

| Resources | | Capital | |
|-----------|---------------|-----------|------------|
| Change | 50,878,000 | Change | – |
| New DEL | 1,074,310,000 | New DEL | 84,418,000 |
| of which: | | of which: | |
| Voted | 1,045,571,000 | Voted | 61,418,000 |
| Non Voted | 28,739,00 | Non Voted | 23,000,000 |

The Administration Cost Limit has been increased by £61,644,000 from £956,323,000 to £1,017,967,000.

Cash which may be retained to offset expenditure

| | £'000 |
|---|------------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 18,366,000 |

Inland Revenue

Introduction

1. This Supplementary Estimate is required for the following purposes.
 - i To take up DEL end year flexibility of £78,102,000, £15,877,000 and £21,754,000 resources, capital and non discretionary expenditure respectively as set out in the Public Expenditure Outturn White Paper (CM5574). (RfR1: subheads A1 and A7).
 - ii To take up £26,400,000 of the Departmental Unallocated Provision for the costs of the Carter recommendations announced in the Budget (RfR1: subhead A1).
 - iii To record a reduction in the accruals to cash adjustments of £27,700,000.
 - iv Increase appropriations in aid by £4,000,000 to reflect increased asset sales which will be used to finance further capital expenditure (RfR1: subheads A7 and A8).
 - v As agreed with the E-envoy and Chief Secretary, draw down dual key funding agreed in SR2000 of £15,300,000 administration costs and £8,000,000 capital (RfR1: subhead A1 and A8) for the ongoing costs of delivering the E programme.
 - vi To draw down £900,000 from the Capital Modernisation Fund for an integrated citizen tracing facility (RfR1: subhead A8).
 - vii To reduce voted provision by £2,500,000 (RfR1: subhead A1) for an increase in early retirement costs.
 - viii To increase appropriations in aid by £7,431,000 due to an increase in funding from customers for VOA services. This is matched by an increase in administration costs of £7,213,000, depreciation charges of £100,000 and other costs of £119,000 (RfR2: subheads A5, A1 and A2). £70,000 of the increase in appropriations in aid is offset by a reduction in Consolidated Fund Extra Receipts.
 - ix To increase the forecast for payment in lieu of tax reliefs by £11,000,000, mainly due to an anticipated increase in payments of Stakeholder Pensions (RfR3: subhead A3).
 - x To amend the ambit of RfR3 to include appropriate personal pensions and residual payments of Vocational Training Relief and Private Medical Insurance.
2. As a result of all changes there is an increase in net cash requirement of £147,134,000.
3. Symbols are explained in the Introduction to this booklet.

PART I

£

| | |
|---|--------------------|
| RfR1: enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue | 117,302,000 |
| RfR2: growing a contribution to the good management of property where the public interest is involved | 1,000 |
| RfR3: Providing payments in lieu of tax relief to certain bodies | 11,000,000 |
| Total net resource requirement | 128,303,000 |
| Additional net cash requirement | 147,134,000 |

SUPPLEMENTARY amounts required in the year ending 31st March 2003 for expenditure by the Inland Revenue Department on:

RfR1: enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue

administration and the associated non cash items incurred in the management and collection of the direct taxes, tax credits and national insurance contributions, administration of the National Insurance Funds for Great Britain and Northern Ireland, for services provided to the Department's information technology and wider markets' partners, for other departments and public bodies, and for overseas tax administrations.

RfR2: growing a contribution to the good management of property where the public interest is 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.

RfR3: Providing payments in lieu of tax relief to certain bodies

transitional payments to charities, supplements on payroll giving, donations to charities and on appropriate personal and stakeholder pension schemes, life assurance premium relief, mortgage interest relief, stamp duty relief and residual payments for vocational training relief and private medical insurance.

RfR4: Making payment of rates to Local Authorities on behalf of certain bodies

rates paid by the Inland Revenue Department in respect of non domestic property occupied by accredited representatives of Commonwealth and foreign countries and certain international organisations, contributions in lieu of rates in respect of properties occupied by Visiting Forces; the Crown in Gibraltar and other similar payments.

The **Inland Revenue Department** will account for this Estimate

Part II: Changes proposed

| | | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | £'000 New Net Provision |
|---|----------------|--------------------------|---------------------------------|---------------------|-------------------------------|-------------------------------|
| Resources | | | | | | |
| RfR1: Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR1:A | administration | 2,144,165 | 117,302 | | 117,302 | 2,261,467 |
| Total RfR1 | | | 117,302 | – | 117,302 | |
| RfR2: growing a contribution to the good management of property where the public interest is involved | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2:A | administration | -8,450 | 7,213 | 7,431 | -218 | -8,668 |
| Spending in Annually Managed Expenditure (AME) | | | | | | |
| RfR2:B | administration | 8,100 | 100 | – | 100 | 8,200 |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | |
| RfR2:C | administration | 351 | 119 | – | 119 | 470 |
| Total RfR2 | | | 7,432 | 7,431 | 1 | |
| Spending in Annually Managed Expenditure (AME) | | | | | | |
| RfR3:A | PILOR | 190,000 | 11,000 | – | 11,000 | 201,000 |
| Total RfR3 | | | 11,000 | – | 11,000 | |
| Total Changes to RfRs | | | 135,734 | 7,431 | 128,303 | |

| | Present Provision | Change in Provision | £'000 New Provision |
|-----------------------------|----------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 124,937 | 50,531 | 175,468 |
| Non-Operating A-inA | 3,872 | 4,000 | 7,872 |
| Net Cash requirement | 2,536,094 | 147,134 | 2,683,228 |

Part II : Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|------------------|---------------|----------------|------------------|----------------|------------------|----------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR1: Enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue | | | | | | | | |
| | 2,926,085 | -6,235 | - | 2,919,850 | 411,677 | 2,508,173 | 168,598 | 7,059 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government Spending | | | | | | | | |
| A: Administration | 2,673,144 | - | - | 2,673,144 | 411,677 | 2,261,467 | 168,598 | 7,059 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| B: Administration | 252,941 | - | - | 252,941 | - | 252,941 | - | - |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| C: Administration | | -6,235 | - | -6,235 | - | -6,235 | - | - |
| RfR2: Growing a contribution to the good management of property where the public interest is involved | | | | | | | | |
| | 172,513 | -20 | - | 172,493 | 172,491 | 2 | 6,870 | 813 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| Central Government Spending | | | | | | | | |
| A: Administration | 163,823 | - | - | 163,823 | 172,491 | -8,668 | 6,870 | 813 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| B: Administration | 8,200 | - | - | 8,200 | - | 8,200 | - | - |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| C: Administration | 490 | -20 | - | 470 | - | 470 | - | - |
| RfR3: Providing payments in lieu of tax relief to certain bodies | | | | | | | | |
| | - | - | 201,000 | 201,000 | - | 201,000 | - | - |
| Other Spending Outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| A: Payments in lieu of tax relief | - | - | 201,000 | 201,000 | - | 201,000 | - | - |
| RfR4: Making payments of rates to Local Authorities on behalf of certain bodies | | | | | | | | |
| | - | 29,600 | - | 29,600 | 3,100 | 26,500 | - | - |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Central government spending</i> | | | | | | | | |
| A: Payments of Local Authority rates | | 29,600 | - | 29,600 | 3,100 | 26,500 | - | - |
| Total | 3,098,598 | 23,345 | 201,000 | 3,322,943 | 587,268 | 2,735,675 | 175,468 | 7,872 |

Part II: Resource to Cash Reconciliation

| | | | £000 |
|--|------------------|--------------------------------|------------------|
| | Present | Increase (+)/ Decrease (0) | Revised |
| Net Total Resources | 2,607,372 | 128,303 | 2,735,675 |
| Voted Capital items: | | | |
| Capital | 124,937 | 50,531 | 175,468 |
| Less non Operating AInA | 3,872 | 4,000 | 7,872 |
| Total Net Voted Capital | 121,065 | 46,531 | 167,596 |
| Accruals to cash adjustment | | | |
| Cost of capital charges | -45,986 | -100 | -46,086 |
| depreciation | -204,320 | -100 | -204,420 |
| New provisions and adjustments to previous provisions | -573 | - | -573 |
| other non cash items | -390 | - | -390 |
| increase(+)/decrease(-) in stock | -500 | - | -500 |
| increase(+)/decrease(-) in debtors | -500 | - | -500 |
| increase(-)/decrease(+) in creditors | 53,823 | -30,000 | 23,823 |
| increase(-)/decrease(+) in provision | 6,103 | 2,500 | 8,603 |
| Use of Provisions | | | |
| Total accrual to cash adjustments | -192,343 | -27,700 | -220,043 |
| Excess cash to be CFERd | - | - | - |
| Net cash requirement | 2,536,094 | 147,134 | 2,683,228 |

Part III: Extra receipts payable to the Consolidated Fund

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

| | Present Provision | | New Provision | |
|--|-------------------|----------------------|---------------|----------------------|
| | Income | <i>Receipts</i> | Income | <i>Receipts</i> |
| Operating income not classified as A in A | 70 | <i>70</i> | – | – |
| Non-operating income not classified as A in A | | | | |
| Other amounts collectable on behalf of the Consolidated Fund | 40,000 | <i>40,000</i> | 40,000 | <i>40,000</i> |
| Excess cash receipts to be surrendered to the Consolidate Fund | | | | |
| TOTAL | 40,070 | <i>40,070</i> | 40,000 | <i>40,000</i> |

Forecast Operating Costs Statement

| | £'000 2002-03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | 2,514,408 |
| RfR 1 | 22 |
| RfR 2 | |
| Total Net Administration costs | 2,514,430 |
| Net Programme Costs | |
| RfR 1 | -6,235 |
| RfR 2 | -20 |
| RfR 3 | 201,000 |
| RfR 4 | 26,500 |
| Total Net Programme Costs | 221,245 |
| TOTAL NET OPERATING COST | |
| <i>of which:</i> | 2,735,675 |
| NET RESOURCE OUTTURN | 2,735,675 |
| CFERs | — |
| Non-voted expenditure | 340,584 |
| RESOURCE BUDGET OUTTURN | 2,881,024 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

| | £'000 |
|---|----------------------|
| | 2002-03 provision |
| Net Resource Outturn (Estimates) | |
| <i>Adjustments for:</i> | 2,735,675 |
| Non-voted expenditure in the OCS | 340,584 |
| Consolidated Fund extra receipts (CFERs) in the OCS | – |
| Provision voted for earlier years | – |
| Other adjustments (expenditure met from the National Insurance Fund) | -340,584 |
| Net Operating Costs (Accounts) | 2,735,675 |
| <i>Adjustments for:</i> | – |
| Other Consolidated Fund Extra Receipts (CFERs) | – |
| Full resource consumption of NDPBs | – |
| Full resource consumption of public bodies | – |
| capital grants to the private sector and Local Authorities | – |
| Reverse the deduction of gains and deduct the losses incurred on disposal of assets | -490 |
| less payments made in lieu of tax relief. | -201,000 |
| Voted expenditure outside the budget | – |
| unallocated resource provision | – |
| Expenditure met from the National Insurance Fund | 340,584 |
| Resource Budget Outturn (Budget) | 2,881,024 |
| <i>of which:</i> | |
| Departmental Expenditure Limit | 2,601,986 |
| Annually Managed Expenditure | 279,038 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 provision |
| Net Voted Capital Outturn (Estimates) | 167,596 |
| Other consolidated fund Extra Receipts | – |
| Capital expenditure by NDPBs | – |
| Capital grants to private sector, LAs and PCs | – |
| Gains/losses from sale of capital assets | 490 |
| unallocated capital provision | – |
| Capital Budget outturn (Budget) | 168,086 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 168,086 |
| Annually Managed Expenditure (AME) | – |

Explanation of accounting officer responsibilities

The Treasury has appointed the Chairman of the Board of Inland Revenue as Principal Accounting Officer for the Department with overall responsibility for preparing the Department's Estimate.

In addition the Treasury has appointed an additional Accounting Officer to be accountable for that part of the Department's accounts relating to specified requests for resources for the Valuation Office Agency and the associated assets, liabilities and cash flows. This appointment does not detract from the Chairman's overall responsibility as Accounting Officer for the Department's Estimate and overall net cash requirement.

The allocation of Accounting Officer responsibilities in the Inland Revenue is as follows:

Requests for Resources 1 and 3: Mr Nick Montagu, Principal Accounting Officer and Chairman of the Board of Inland Revenue

Request for Resources 2 and 4: Mr Michael Johns, Additional Accounting Officer and Chief Executive of the Valuation Office Agency.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in Government Accounting. Under the terms of the Accounting Officers' Memorandum the relationship between the Inland Revenue's Principal and Additional Accounting Officers, together with their respective responsibilities, is set out in writing.

Analysis of Appropriations in Aid

| Detail | £'000 | |
|---|---------------------|-----------------------------|
| | 2002-03 Provision | |
| | Operating A-in-A | Non- operating A-in-A |
| RfR1: enabling businesses and individuals to understand and comply with their obligations in respect of their dealings with the Inland Revenue | | |
| recovery of costs of collecting NICs | 354,929 | – |
| receipts from sale of assets | – | 7,059 |
| receipts from certain tax penalties | 10,000 | – |
| Rent from private tenants and other government departments | 5,440 | – |
| receipts from VOA, other government departments and other bodies | 29,492 | – |
| other receipts | 11,816 | – |
| RfR2: growing a contribution to the good management of property where the public interest is involved | | |
| recovery of costs of rating and valuation services | 172,491 | – |
| receipts from sale of assets | – | 813 |
| RfR4: Making payment of rates to Local Authorities on behalf of certain bodies | | |
| Repayments by commonwealth and foreign countries and international organisations | 3,100 | – |
| Total | 587,268 * | 7,872 ** |

*Amount that may be applied as appropriations in aid in addition to the net total arising from:

RfR1: law costs recovered; recoveries of overpayments in prior years; excess cash receipts; subsidies for New Deal jobseekers employed; recovery of costs of seconded staff; receipts from sale of publications; receipts for services provided to the Valuation Office Agency, government departments and other bodies; receipts from the use of certain official cars; recovery of the costs of administering the National Insurance Funds and collection of National Insurance contributions; rent receipts from other government departments and private tenants; receipts from certain tax penalties; other administration costs receipts;

RfR2: recovery of costs of valuations and other services, receipts from use of certain official cars, receipts from sale of information and publications, recovery of law costs, rent receipts from other government departments and private tenants, other administration costs receipts

RfR4: payment of rates by accredited Commonwealth and foreign countries and certain international organisations; refunds from local authorities; payments of contributions in lieu of rates by Visiting Forces and Ministry of Defence property in Gibraltar

**Amount that may be applied as non operating appropriations in aid arising from the recovery of income from the sale of assets

Analysis of Consolidated Fund Extra Receipts

| | £'000 | |
|---|-------------------|-----------------|
| | 2002-03 provision | |
| | Income | <i>Receipts</i> |
| | 40,000 | 40,000 |
| Receipts from tax penalties | | |
| Surplus receipts of classes authorised to be applied as appropriations in aid | – | – |
| Interest under Section 24(1) of the Crown Proceedings Act 1947 | – | – |
| Community Charge receipts | – | – |
| TOTAL | 40,000 | 40,000 |

Departmental Expenditure Limits and administration costs limits

As announced the Inland Revenue Departmental Expenditure Limit (DEL) will change as follows:

| Resources | | Capital | |
|-----------|---------------|-----------|---------|
| Change | 77,954,000 | Change | 38,531 |
| New DEL | 2,601,986,000 | New DEL | 168,086 |
| of which: | | of which: | |
| Voted | 2,252,799 | Voted | 168,086 |
| Non Voted | 349,187 | Non Voted | - |

The administration costs limit has been increased by £78,102,000 from £2,566,610,000 to £2,644,712,000. The Valuation Office Agency net administration costs limit has been reduced by £218,000 from -£6,347,000 to -£6,565,000.

Cash which may be retained to offset expenditure

| | £'000 |
|---|--------------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | £595,140,000 |

National Investment and Loans Office

Introduction

1. This Supplementary Estimate is required for the following purpose:
 - (i) to transfer £248,000 resources and £33,000 capital voted to the National Investment and Loans Office to HM Treasury under Machinery of Government Change announced on 1 July 2002. This announced that the NILO staff and functions will integrate with the UK Debt Management Office and HM Treasury.
2. As a result of all changes there is a decrease in Net Cash Requirement of £250,000.
3. Symbols are explained in the introduction to this booklet.

Part I

| | £ |
|--|--------------|
| RfR1: Providing high quality financial services to public sector clients+ | 1,000 |
| Total net resource requirement | 1,000 |
| Additional net cash requirement | 1,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the National Investment and Loans Office on:

RfR1: the management by the National Debt Office (NDO) of the investment portfolios of certain public funds; the provision of a lending service to local authorities by the Public Works Loan Board (PWLb); the provision by the Office of HM Paymaster General (OPG) of banking and related services for government departments and other bodies and the supply of financial information to the Treasury; administration; associated non-cash items; and a payment to HM Treasury relating to a Machinery of Government change.

The **National Investment and Loans Office** will account for this Estimate.

+ In the Vote on Account, RfR1 was described as "Providing high quality financial services to public sector customers".

Part II: Changes proposed

| | Present Net Provision | Change in Gross provision | Change in A in A | Change in Net Provision | £000 New Net Provision |
|--|------------------------------|---------------------------------|--------------------------|-------------------------------|------------------------------|
| Resources | | | | | |
| RfR1: Providing high quality financial services to public sector clients | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A Administration | 191 | –6,182 | 5,991 | –191 | – |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Non-cash items</i> | | | | | |
| RfR1 – B Administration | 57 | –57 | – | –57 | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – C Payment to HM Treasury in respect of a Machinery of Government transfer | – | 249 | – | 249 | 249 |
| Total changes to RfR1 | 248 | –5,990 | –5,991 | 1 | 249 |
| Capital and Cash | Present Provision | Change in Provision | New Provision | | |
| Total Capital Expenditure | 33 | – | 33 | | |
| Non-Operating A in A | – | – | – | | |
| Net cash requirement | 250 | 1 | 251 | | |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 |
|---|-----------|---------------|----------|-------------|----------|------------|-----------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| RfR1: Providing high quality financial services to public sector clients | – | 249 | – | 249 | – | 249 | 33 | – | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| ★ A Administration | – | – | – | – | – | – | – | – | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | | |
| B Administration | – | – | – | – | – | – | – | – | |
| Other spending outside Departmental Expenditure Limits | | | | | | | | | |
| C Payment to HM Treasury in respect of a Machinery of Government transfer | – | 249 | – | 249 | – | 249 | 33 | – | |
| TOTAL | – | 249 | – | 249 | – | 249 | 33 | – | |

Part II: Resource to Cash Reconciliation

| | Present | Increase (+)/ Decrease (–) | Revised | £000 |
|---|------------|-------------------------------|------------|------|
| Net total Resources | | | | |
| Voted capital items | 248 | 1 | 249 | |
| Capital expenditure | 33 | | 33 | |
| Less: non-operating A in A | | | | |
| Total net voted capital | 33 | | 33 | |
| Accruals to cash adjustments: | | | | |
| Cost of Capital charges | –20 | | –20 | |
| Depreciation | –30 | | –30 | |
| New provisions and adjustments to previous provisions | –7 | | –7 | |
| Other non-cash items | –15 | | –15 | |
| Increase (+)/decrease (–) in stock | 0 | | 0 | |
| Increase (+)/decrease (–) in debtors | 5 | | 5 | |
| Increase (–)/decrease (+) in creditors | –8 | | –8 | |
| Use of provisions | 44 | | 44 | |
| Total accruals to cash adjustments | –31 | | –31 | |
| Excess cash to be CFERd | – | – | – | |
| Net cash requirement | 250 | 1 | 251 | |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Costs Statement

| | | £'000 2002-03 provision |
|---------------------------------------|-----|-------------------------------|
| Net Administration Costs | | |
| RfR1 | 249 | |
| Total Net Administration Costs | | 249 |
| Net Programme Costs | | |
| RfR1 | – | |
| Total Net Programme costs | | – |
| TOTAL NET OPERATING COST | | 249 |
| <i>of which:</i> | | |
| NET RESOURCE OUTTURN | | 249 |
| CFERs | | – |
| Non-voted expenditure | | – |
| RESOURCE BUDGET OUTTURN | | 249 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 provision |
|--------------------------------------|-------------------------------|
| Net Resource Outturn (Estimates) | 249 |
| Net Operating Costs (Accounts) | 249 |
| Resource Budget Outturn (Budget) | 249 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 236 |
| Annually Managed Expenditure (AME) | 13 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 provision |
|---------------------------------------|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 33 |
| Capital Budget Outturn | 33 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 33 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer responsibilities

Alex Lawrie has been appointed Accounting Officer for the National Investment and Loans Office until such a time as the Department is abolished after which accountability for OPG will transfer to HM Treasury and accountability for NDO and PWLB will transfer to the UK Debt Management Office.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safekeeping the Department's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in *Government Accounting*.

Departmental Expenditure Limits and Administration Costs Limits

The National Investment and Loans Office's Departmental Expenditure Limit has been reduced from £268,000 to zero.

As announced to the House of Commons the National Investment and Loans Office DEL will change as follows:

| Resources | | Capital | |
|------------------|----------|----------------|---------|
| Change | -235,000 | Change | -33,000 |
| New DEL | - | New DEL | - |
| of which: | | of which: | |
| Voted | - | Voted | - |
| Non Voted | - | Non Voted | - |

The administration costs limit has been reduced from £2,018,000 to zero.

Expenditure resting on the sole authority of the Appropriation Act

Expenditure resting on the sole authority of the Appropriation Act has been transferred to the UK Debt Management Office and HM Treasury as part of the Machinery of Government changes.

Office for National Statistics

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - i To take up DEL end year flexibility of £1,021,000 resources on running costs as set out in Table 6 of the Public Expenditure Outturn White Paper (Cm 5574).
 - ii To take up Departmental Unallocated Provision of £6,000,000 resources on administration.
 - iii To increase running costs provision in Section B by £3,000,000 to reflect increased demand for certificate sales and surveys, which will be fully met by additional receipts of £3,000,000.
 - iv To decrease provision by £250,000 (administration) and £1,003,000 (capital) by transfer to various departments in respect of data development work for the Neighbourhood Statistics programme.

In respect of administration costs the transfers comprise £97,000 to the Department for Education and Skills, £127,000 to the Department of Health and £26,000 to the Lord Chancellor's Department.

In respect of capital the transfers comprise £1,000,000 to the Department for Work and Pensions and £3,000 to the Department of Health.
 - v To reduce provision in Section A by £3,738,000 to reflect a change in the level of early retirement and pensions costs and departure costs arising from the decision to close the Runcorn Office.
2. As a result of all changes there is an increase in net cash requirement of £5,768,000.
3. Symbols are explained in the introduction to this booklet.

Part I

| | |
|---|------------------|
| | £ |
| RfR1: Providing statistical and registration services. | 3,033,000 |
| Total net resource requirement | 3,033,000 |
| Additional net cash requirement | 5,768,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Office for National Statistics on:

RfR1 – Providing statistical and registration services.

collection, preparation and dissemination of economic, social, labour market and other statistics; register services, departmental administration and associated non-cash items.

The Office for National Statistics will account for this Estimate.

Part II: Changes proposed

| Resources | £'000 |
|--|---------------------------|
| | New Net Provision |
| Present Net Provision | Change in Gross Provision |
| | Change in A-in-A |
| | Change in Net Provision |
| RfR1: Providing statistical and registration services | |
| Spending in Departmental Expenditure Limits (DEL) | |
| RfR1 – A Administration (gross control) | 124,077 |
| RfR1 – B Customer Funded (net control) | -201 |
| Total Changes to RfRs | 3,033 |

| Resources | £'000 |
|-----------------------------|---------------------|
| Capital and Cash | New Provision |
| Present Net Provision | Change in Provision |
| Total Capital Expenditure | 22,142 |
| Non-Operating A-inA | 250 |
| Net cash requirement | 149,122 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|---|----------------|---------------|----------|----------------|---------------|----------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR 1: Providing Statistical and Registration Services | | | | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| ★A Administration (gross control) | 137,487 | 1,000 | – | 138,487 | 14,410 | 124,077 | 21,488 | – |
| ★B Customer Funded (net control) | 19,750 | – | – | 19,750 | 19,951 | –201 | 654 | 250 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | |
| C Administration (gross control) | 13,244 | – | – | 13,244 | – | 13,244 | – | – |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | |
| D ONS Administration | 171 | – | – | 171 | – | 171 | – | – |
| E EC Receipts | – | – | – | – | 1,000 | –1,000 | – | – |
| TOTAL | 170,652 | 1,000 | – | 171,652 | 35,361 | 136,291 | 22,142 | 250 |

Part II: Resource to Cash Reconciliation

| | Present | Increase(+)/ Decrease(-) | £'000 Revised |
|---|----------------|-----------------------------|------------------|
| Net total Resources | 133,258 | 3,033 | 136,291 |
| Voted capital items | | | |
| Capital expenditure | 23,145 | –1,003 | 22,142 |
| less: non-operating A in A | –250 | – | –250 |
| Total net Voted Capital | 22,895 | –1,003 | 21,892 |
| Accruals to cash adjustments: | | | |
| Capital charges | –2,664 | – | –2,664 |
| Depreciation | –11,770 | – | –11,770 |
| New provisions and adjustments to previous provisions | – | – | – |
| Other non-cash items | –226 | – | –226 |
| Increase(+)/decrease (–) in stock | – | – | – |
| Increase (+)/decrease (–) in debtors | –1,504 | – | –1,504 |
| Increase (–)/decrease (+) in creditors | 2,743 | – | 2,743 |
| Use of provisions | 622 | 3,738 | 4,360 |
| Total accruals to Cash adjustments | –12,799 | 3,738 | –9,061 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 143,354 | 5,768 | 14,9122 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Costs Statement

| | £'000 |
|---------------------------------------|----------------------|
| | 2002-03 Provision |
| Net Administration Costs | |
| RFR 1 | 136,291 |
| Total Net Administration Costs | 136,291 |
| Net Programme Costs | |
| RFR1 | – |
| Total Net Programme costs | – |
| TOTAL NET OPERATING COST | 136,291 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 136,291 |
| CFERs | |
| Non-voted expenditure | |
| RESOURCE BUDGET OUTTURN | 137,120 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 Provision |
| Net Resource Outturn (Estimates) | 136,291 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | |
| Consolidated Fund Extra Receipts in the OCS | |
| Net Operating Costs (Accounts) | 136,291 |
| <i>Adjustments for:</i> | |
| Other Consolidated Fund Extra Receipts (CFERS) | |
| <i>Adjustment related to Income from Sale of Capital Assets</i> | |
| Reverse the deduction of gains and deduct the losses incurred on disposal of assets | –171 |
| <i>EU Related Transactions</i> | |
| Reverse the deduction of EU income | 1,000 |
| Unallocated Resource Provision | |
| Other Adjustments | |
| Resource Budget Outturn (Budget) | 137,120 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 128,236 |
| Annually Managed Expenditure (AME) | 8,884 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|----------------------|
| | 2002-03 Provision |
| Net Voted Capital Outturn (Estimates) | 21,892 |
| Gains/losses from sale of capital assets | 171 |
| Capital Budget Outturn (Budget) | 22,063 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 22,063 |
| Annually Managed Expenditure (AME) | |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Director of the Office for National Statistics, Mr Len Cook, as the Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of appropriations in aid

| | £'000 | |
|--|---------------------|-----------------------------|
| | 2002-03 Provision | |
| | Operating A in A | Non- operating A in A |
| RfR1: Providing Statistical and Registration Services. | | |
| Cash fees for searches, verifications and certified copies of register entries | 7,582 | – |
| Repayment Services | 21,194 | – |
| Receipts from sale of data, publications etc. | 4,775 | – |
| Receipts from EC and other overseas contracts | 1,805 | – |
| Car Leasing Scheme for the Registration Inspectorate | 5 | – |
| Sale of surplus assets | – | 250 |
| Total A in A | 35,361* | 250** |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from sale of statistical information publications and other services to other departments, the European Community and the public.

** Amount that may be applied as non-operating appropriations in aid, arising from the recovery of income from the sale of surplus assets.

Departmental Expenditure Limits and administration costs limits

As announced to the House of Commons the Office for National Statistics will change as follows:

| Resources | | Capital | |
|------------------|-------------|----------------|------------|
| Change | 771,000 | Change | -1,003,000 |
| New DEL | 128,236,000 | New DEL | 22,063,000 |
| of which: | | of which: | |
| Voted | 123,876,000 | Voted | 22,063,000 |
| Non Voted | 4,360,000 | Non Voted | nil |

The administration costs limit has been increased by £771,000 from £126,666,000 to £127,437,000.

Cash which may be retained to offset expenditure

| | |
|--|--------------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid. | £'000 |
| | 35,361 |

Crown Estate Office

Introduction

This Supplementary Estimate is required for the following purposes:

1. An increase in programme AME of £30,450,000 in respect of the actuarial liability from transferring the Crown Estate Commissioners Superannuation Scheme (CECSS) to the Principal Civil Service Pension Scheme (PCSPS).
2. As a result of this change there is an increase in the net cash requirement of £30,450,000.
3. Symbols are explained in the introduction to this booklet.

Part I

| | £ |
|--|-------------------|
| RfR2: The actuarial liability from transferring The Crown Estate Commissioners Superannuation Scheme (CECSS) to the Principal Civil Service Pension Scheme (PCSPS). | 30,450,000 |
| Total net resource requirement | 30,450,000 |
| Additional net cash requirement | 30,450,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by The Crown Estate on:

RfR1: To maintain and enhance the value of The Crown Estate and the return obtained from it.

The administration costs of the Crown Estate Commissioners, and associated non-cash items.

RfR2: The actuarial liability from transferring The Crown Estate Commissioners Superannuation Scheme (CECSS) to the Principal Civil Service Pension Scheme (PCSPS).

Transfer of actuarial liability, and associated non-cash items.

Crown Estate Office will account for this Estimate.

Part II: Changes proposed

| | Present net Provision | Change in Gross provision | Change in A-in-A | Change in Net provision | £000 New net provision |
|---|--------------------------|---------------------------------|---------------------|-------------------------------|-------------------------------------|
| Resources | | | | | |
| RfR2: The actuarial liability from transferring The Crown Estate Commissioners Superannuation Scheme (CECSS) to the Principal Civil Service Pension Scheme (PCSPS) | | | | | |
| SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME) | | | | | |
| <i>Central Government expenditure</i> | | | | | |
| RfR2 – A Transfer of actuarial liability | – | 30,450 | – | 30,450 | 30,450 |
| Total RfR2 | – | 30,450 | – | 30,450 | 30,450 |
| TOTAL CHANGES TO RfRs | – | 30,450 | – | 30,450 | |

| | Present provision | Change in provision | £000 New provision |
|-----------------------------|----------------------|------------------------|---------------------------------|
| Capital and cash | | | |
| Total capital expenditure | – | – | – |
| Non-operating A in A | – | – | – |
| Net cash requirement | 1,903 | 30,450 | 32,353 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 |
|---|-----------|---------------|--------|-------------|--------|-----------|---------|----------------------|-------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | |
| RfR1: To maintain and enhance the value of The Crown Estate and the return obtained from it | - | 1,911 | - | 1,911 | - | 1,911 | - | - | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Administration | - | 1,911 | - | 1,911 | - | 1,911 | - | - | |
| RfR2: The actuarial liability from transferring the Crown Estate Commissioners Superannuation Scheme (CECSS) to the Principal Civil Service Pension Scheme (PCSPS) | - | - | - | 30,450 | 30,450 | - | 30,450 | - | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | | |
| A Transfer of actuarial liability | - | - | 30,450 | 30,450 | - | 30,450 | - | - | |
| TOTAL | - | 1,911 | 30,450 | 32,361 | - | 32,361 | - | - | |

Part II: Resource to cash reconciliation

| | £000 | | |
|---|---------|-------------------------------|---------|
| | Present | Increase (+)/ Decrease (-) | Revised |
| Net total Resources | 1,911 | 30,450 | 32,361 |
| Voted capital items | | | |
| Capital expenditure | - | - | - |
| less: non-operating A in A | - | - | - |
| Total net voted capital | - | - | - |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | - | - | - |
| Depreciation | - | - | - |
| New provisions and adjustments to previous provisions | - | - | - |
| Other non-cash items | -8 | - | -8 |
| Increase (+)/decrease (-) in stock | - | - | - |
| Increase (+)/decrease (-) in debtors | - | - | - |
| Increase (-)/decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -8 | - | -8 |
| Excess cash to be CFERd | - | - | - |
| Net cash requirement | 1,903 | 30,450 | 32,353 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

| | £'000 2002-03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | – |
| RfR2 | – |
| | – |
| Total Net Administration Costs | – |
| Net Programme Costs | |
| RfR1 | 1,911 |
| RfR2 | 30,450 |
| Total Net Programme Costs | 32,361 |
| TOTAL NET OPERATING COST | 32,361 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 32,361 |
| CFERs | – |
| Non-voted expenditure | – |
| RESOURCE BUDGET OUTTURN | 32,361 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 32,361 |
| Net Operating Costs (Accounts) | 32,361 |
| Resource Budget Outturn (Budget) | 32,361 |
| <i>of which:</i> | |
| Annually Managed Expenditure (AME) | 32,361 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Voted Capital Outturn (Estimates) | – |
| Full capital expenditure by public corporations | 20,000 |
| Capital Budget Outturn (Budget) | 20,000 |
| <i>of which:</i> | |
| Annually Managed Expenditure (AME) | 20,000 |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Second Commissioner of the Crown Estate, Roger Bright as Accounting Officer with overall responsibility for preparing the Crown Estate’s Estimate.

His responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Non-Departmental Public Bodies’ Accounting Officers’ Memorandum issued by the Treasury and published in *Government Accounting*.

Expenditure resting on the sole authority of the Appropriation Act

| | £’000 |
|--|--------|
| RfR2: A3 Transfer of actuarial liability ■ | 30,450 |

Cabinet Office

Introduction

1. This Supplementary Estimate is required for the following purposes:
 - (i) to reflect Machinery of Government changes announced by the Prime Minister on 29 May by the transfer of £98,630,000 administration costs, £613,000 capital and £413,000 non-cash charges to the Office of the Deputy Prime Minister for the Government Offices for the Regions (subheads E1, E7, J2);
 - (ii) to reflect Machinery of Government changes announced by the Prime Minister on 29 May by the transfer of £4,236,000 administration costs to the Office of the Deputy Prime Minister for the Social Exclusion Unit and Central Policy Group (subhead A1);
 - (iii) to reflect Machinery of Government changes announced by the Prime Minister on 29 May by the transfer of £3,230,000 administration costs and £200,000 programme expenditure to the Department of Trade and Industry for the Women and Equality Unit, the Equality Co-ordination Unit and the Women's National Commission (subheads A1, A2);
 - (iv) to reflect Machinery of Government changes announced by the Prime Minister on 29 May by the transfer of £7,005,000 to the Department of Trade and Industry for the administration of the Equal Opportunities Commission (subhead K3);
 - (v) an increase in administration costs of £372,000 and an increase of appropriations in aid of £372,000 to reflect Emergency Planning College receipts from the Crime Reduction College and an increase in course expenditure and income (subheads A1, A5);
 - (vi) to take up £15,000,000 of the Capital Modernisation Fund following Round 4 for National e-Government Infrastructure (subhead D7);
 - (vii) to provide for an increase in non cash charges of £2,200,000 arising from the increase in capital expenditure on the National e-Government Infrastructure (subhead G1);
 - (viii) capital transfers of £8,000,000 from the Home Office to the Office of the e-Envoy to develop information systems based on government gateway technology (subhead D7);
 - (ix) an increase of £158,000 in capital expenditure and in non operating appropriations in aid following the early repayment of loans by the Civil Service Sports Council (subheads A7,A8);
 - (x) a decrease in administration costs of £237,000 and a decrease in appropriations in aid of £131,000 for the Government Car and Despatch Agency to reflect the most up to date estimates (subheads C1, C5);
 - (xi) a reallocation of £200,000 capital from the Government Car and Despatch Agency to Cabinet office (subheads A7,C7);
 - (xii) adjustments to non cash entries for the Government Car and Despatch Agency including an increase in depreciation of £106,000, an increase in cost of capital of £70,000 and a reduction in provision of £70,000 (subhead I1);
 - (xiii) an increase of £29,000 in administration costs and operating appropriations in aid to reflect payments from other government departments towards a web based pay information system (subheads A1, A5);
 - (xiv) an increase of £85,000 in capital expenditure and in non operating appropriations in aid to reflect payments from other government departments towards a web based pay information system (subheads A7, A8);

- (xv) to provide additional administration costs of £30,400,000 and programme costs of £900,000 for a sharper focus on key priorities, improving the quality of public services and enhancing the resilience of communications systems (subheads A1, A2);
 - (xvi) to provide additional Emergency Planning Grants to Local Authorities of £5,000,000 for enhancing the resilience of communications systems (subhead F3);
 - (xvii) an increase in administration costs of £9,500,000 and an increase in appropriations in aid of £9,500,000 following the transfer of the Government News Network from the Central Office of Information to Cabinet Office (subheads A1, A5).
2. As a result of all changes there is an increase in the Net Cash Requirement of £59,264,000.
 3. Symbols are explained in the Introduction to this booklet.

Part I

| | |
|---|--------------------|
| RfR1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | £38,500,000 |
| Total net resource requirement | £38,500,000 |
| Additional net cash requirement | £59,264,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Cabinet Office on:

RfR1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives:

The offices of the Prime Minister, the Minister for the Cabinet Office, the Minister of State and other Cabinet Office Ministers, the Parliamentary Secretary, Lord Privy Seal and the Government Chief Whip; the Parliamentary Counsel; Secretariat to the Cabinet; payments to former Prime Ministers; the central management of, and delivery of services to, the Civil Service and wider public sector; delivery of the modernisation of government programme and civil service reform; cross-departmental IT systems; co-ordination of cross-cutting issues; grants to certain not for profit organisations; emergency planning; certain other services; and associated non-cash items.

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

Part II Changes proposed

| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | £'000 New Net Provision |
|---|--------------------------|---------------------------------|---------------------|-------------------------------|-------------------------------|
| Resources | | | | | |
| RfR1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | | | | | |
| RfR1 – A Cabinet Office | 160,850 | 33,535 | 9,901 | 23,634 | 184,484 |
| RfR1 – C Government Car and Despatch Agency | -1,300 | -237 | -131 | -106 | -1,406 |
| RfR1 – E Government Offices Administration | 98,630 | -98,630 | - | -98,630 | - |
| RfR1 – F Emergency planning grants | 14,038 | 5,000 | - | 5,000 | 19,038 |
| RfR1 – G Cabinet Office and Corporate IT Strategy | 27,618 | 2,200 | - | 2,200 | 29,818 |
| RfR1 – I Government Car and Despatch Agency | 1,300 | 106 | - | 106 | 1,406 |
| RfR1 – J Government Offices Administration | 413 | -413 | - | -413 | - |
| RfR1 – K Equal Opportunities Commission | 7,005 | -7,005 | - | -7,005 | - |
| RfR1 – M (New sub head) Machinery of Government contra entry – transfer to DTI | - | 10,435 | - | 10,435 | 10,435 |
| RfR1 – N (New sub head) Machinery of Government contra entry – transfer to ODPM | - | 103,279 | - | 103,279 | 103,279 |
| Total RfR1 | | 48,270 | 9,770 | 38,500 | |
| Total changes to RfRs | | 48,270 | 9,770 | 38,500 | |

| | Present Provision | Change in Provision | £'000 New Provision |
|-----------------------------|----------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total capital expenditure | 32,496 | 23,243 | 55,739 |
| Non-operating A-in-A | 168 | 243 | 411 |
| Net cash requirement | 311,739 | 59,264 | 371,003 |

Part II Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|--|----------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A |
| RfR 1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | 263,002 | 134,956 | 22,481 | 420,439 | 67,613 | 352,826 | 55,739 | 411 |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| ★ A Cabinet Office | 189,244 | 21,242 | 2,649 | 213,135 | 28,651 | 184,484 | 14,625 | 273 |
| ★ B Centre for Management & Policy Studies | 28,508 | – | – | 28,508 | 24,180 | 4,328 | 850 | – |
| ★ C Government Car and Despatch Agency | 13,376 | – | – | 13,376 | 14,782 | –1,406 | 1,651 | 138 |
| ★ D Corporate IT Strategy/Office of the e-Envoy | – | – | – | – | – | – | 38,000 | – |
| ★ E Government Offices Administration | – | – | – | – | – | – | – | – |
| <i>Support for Local Authorities</i> | | | | | | | | |
| ★ F Emergency planning grants | – | – | 19,038 | 19,038 | – | 19,038 | – | – |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| G Cabinet Office and Corporate IT Strategy | 29,818 | – | – | 29,818 | – | 29,818 | – | – |
| H Centre for Management & Policy Studies | 650 | – | – | 650 | – | 650 | – | – |
| I Government Car and Despatch Agency | 1,406 | – | – | 1,406 | – | 1,406 | – | – |
| J Government Offices Administration | – | – | – | – | – | – | – | – |
| Other Spending Outside Departmental Expenditure Limits | | | | | | | | |
| K Equal Opportunities Commission | – | – | – | – | – | – | – | – |
| L Emergency planning capital grants | – | – | 794 | 794 | – | 794 | – | – |
| M Machinery of Government contra entry – transfer to DTI | – | 10,435 | – | 10,435 | – | 10,435 | – | – |
| N Machinery of Government contra entry – transfer to ODPM | – | 103,279 | – | 103,279 | – | 103,279 | 613 | – |
| Total | 263,002 | 134,956 | 22,481 | 420,439 | 67,613 | 352,826 | 55,739 | 411 |

Part II: Resource to Cash Reconciliation

| | Present | Increase+/ Decrease – | £'000 Revised |
|--|----------------|--------------------------|------------------|
| Net total resources | 314,326 | 38,500 | 352,826 |
| Voted capital items | | | |
| Capital expenditure | 32,496 | 23,243 | 55,739 |
| less non-operating A in A | 168 | 243 | 411 |
| Total net voted capital | 32,328 | 23,000 | 55,328 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –14,329 | –463 | –14,792 |
| Depreciation | –19,691 | –1,500 | –21,191 |
| New provisions and adjustments to previous provisions | –711 | 70 | –641 |
| Other non-cash items | –184 | – | –184 |
| Increase(+)/decrease (–) in stock | – | – | – |
| Increase(+)/decrease (–) in debtors | – | – | – |
| Increase(–)/decrease (+) in creditors | – | – | – |
| Use of provisions | – | 70 | 70 |
| Transfer of functions – difference between resource and cash transfers | – | –413 | –413 |
| Total accruals to cash adjustments | –34,915 | –2,236 | –37,151 |
| Excess cash to be CFERd | – | – | – |
| Net cash requirement | 311,739 | 59,264 | 371,003 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

| | £'000 |
|---------------------------------------|----------------|
| | 2002-03 |
| | Provision |
| Net Administration Costs | |
| RfR1 | 195,389 |
| Total Net Administration Costs | 195,389 |
| Net Programme Costs | |
| RfR1 | 43,723 |
| Total Net Programme costs | 43,723 |
| TOTAL NET OPERATING COST | 239,112 |
| of which: | |
| NET RESOURCE OUTTURN | 352,826 |
| CFERs | – |
| Non-voted expenditure | – |
| Machinery of Government transfers | –113,714 |
| RESOURCE BUDGET OUTTURN | 238,318 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Resource Outturn (Estimates) | 352,826 |
| <i>Adjustments for:</i> | |
| Transfer to the Department of Trade and Industry | –10,435 |
| Transfer to the Office of the Deputy Prime Minister | –103,279 |
| Net Operating Costs (Accounts) | 239,112 |
| <i>Adjustments for:</i> | |
| Full resource consumption of Public Corporations | –794 |
| Resource Budget Outturn (Budget) | 238,318 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 206,444 |
| Annually Managed Expenditure (AME) | 31,874 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 2002-03 provision |
|---|-------------------------------|
| Net Voted Capital Outturn (Estimates) | 55,328 |
| Transfer to the Office of the Deputy Prime Minister | –613 |
| Capital Budget Outturn (Budget) | 54,715 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 54,715 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Permanent Head of the Cabinet Office, Sir David Omand, as Accounting Officer for the Cabinet Office with overall responsibility for preparing the Cabinet Office's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | £'000 | |
|---|---------------------|-----------------------------|
| | 2002-03 Provision | |
| | Operating A in A | Non- operating A in A |
| RFR1: Supporting the Prime Minister's Office closely in ensuring the delivery of Government objectives | | |
| Income from minor occupiers and other accommodation income | 1,847 | – |
| Sales of services and goods to other government departments and general public | 10,748 | – |
| Sponsorship income | 100 | – |
| Income relating to Crown copyright work of HMSO | 591 | – |
| Income relating to Employment Opportunities Fund | 3 | – |
| Income relating to central management costs of pensions schemes | 12,886 | – |
| Recovery of costs of Cabinet Office staff and Prime Minister's Office | 700 | – |
| Income from the trading and programme activities of Government Car & Despatch Agency | 14,782 | – |
| Income from the trading activities of Centre for Management and Policy Studies | 24,180 | – |
| Investments (loan repayment by Civil Service Sports Council and London Hostels Association) | – | 188 |
| Proceeds from asset disposals | – | 223 |
| Other income | 500 | – |
| Emergency Planning College receipts for training courses and rent | 1,276 | – |
| Total RFR1 | 67,613* | 411** |

* Amount that may be applied as appropriations in aid in addition to the net total, arising from income from minor occupiers of the Department's buildings; sales of services and goods to other government departments and general public; administration of Crown copyright by HMSO; sponsorship income; income from the Employment Opportunities Fund; income in respect of central management costs of the Principal Civil Service Pensions Scheme (PCSPS), Civil Service Additional Voluntary Contributions Scheme (CSAVC), and the Federated Superannuation Scheme for Universities (FSSU); refunds from the European Community and receipts in respect of international projects; recovery of costs of staff on loan; recovery from staff for miscellaneous items; recovery of costs incurred by the Prime Minister's Office on official visits; receipts from the trading and programme activities of the Government Car & Despatch Agency and Centre for Management and Policy Studies; profit on disposal of fixed assets; Emergency Planning College receipts for training courses; receipts for rent; and certain other services.

** Amount that may be applied as non operating appropriations in aid, arising from repayment of loans by the Civil Service Sports Council and the London Hostels Association; the proceeds from the sale of fixed assets, covering the net book value.

Departmental Expenditure Limits and administration costs limits

As announced by the Minister of State to the House of Commons the Cabinet Office DEL will change as follows:

| Resources | £000 | Capital | £000 |
|-----------|---------|-----------|--------|
| Change | -77,107 | Change | 22,387 |
| New DEL | 206,444 | New DEL | 54,715 |
| of which: | | of which: | |
| Voted | 206,444 | Voted | 54,715 |
| Non Voted | – | Non Voted | – |

The administration costs limit has decreased by £75,614,000 from £240,227,000 to £164,613,000 and the net administration costs limit has decreased by £106,000 from £3,028,000 to £2,922,000.

Cash which may be retained to offset expenditure

| | £'000 |
|---|--------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid | 67,613 |

Expenditure resting on the sole authority of the Appropriation Act

The following subheads contain provision sought under the sole authority of Part 1 of the Estimate and of the confirming Appropriation Act:

| Sub head | Service | £'000 |
|----------|---|-------|
| – A2 | Emergency Planning Research Programme ■ | 135 |
| – A1 | Pension Payment ■ | 8 |

Security and Intelligence Agencies

Introduction

This Supplementary Estimate is required for the following main purposes:

- i) To provide for the use of £11,076,000 for Serious Crime funding allocated to the Home Office at SR2000 (which includes £2,250,000 Capital);
 - ii) to provide for the use of £54,089,000 for counter-terrorism work (which includes £17,750,000 Capital). This will be drawn from the Reserve;
 - iii) to provide an additional £7,000,000 resource for further counter-terrorism work. This will be drawn from the Reserve;
 - iv) a transfer of £225,000 resource from the Global Conflict Prevention Pool;
 - v) to take up DEL end year flexibility of £29,080,000 (which includes £300,000 Capital);
 - vi) a switch out of Capital to Programme of £350,000;
 - vii) a further increase of £600,000 in Other Administration Costs. This additional expenditure is offset by an increase of £600,000 in Operating Appropriations in Aid;
 - viii) an increase in AME Capital Charge of £1,100,000 and a decrease in AME Depreciation of £600,000 making a total increase in AME of £500,000.
 - ix) a decrease in AME depreciation of £180,000. This corrects the Main Estimate which stated that 'Spending in AME (B), Non-cash items' under 'Other Current' was £136,353,000. The correct figure should be £136,173,000. The Main Estimate also stated that the total 'Accruals to cash adjustment' was -£163,755,000. The correct figure should be -£163,575,000.
2. As a result of all changes there is an increase in Net Cash Requirement of £100,970,000.
 3. Symbols are explained in the introduction to this booklet.

Part I

| | £ |
|---|--------------------|
| RfR 1: Protecting and promoting the national security and economic well being of the UK. | 81,840,000 |
| Total net resource requirement | 81,840,000 |
| Additional net cash requirement | 100,970,000 |

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Security and Intelligence Agencies on:

RfR1: Protecting and promoting the national security and economic well being of the UK.

Administration and operational costs, research and developmental works, equipment and other payments, and associated non-cash items.

RfR2: Security Service and Secret Intelligence Service superannuation.

Security Service and Secret Intelligence Service superannuation.

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

Part II: Changes proposed

| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | £'000 New Net Provision |
|---|-----------------------|---------------------------|------------------|-------------------------|----------------------------|
| RfR1: Protecting and promoting the national security and economic well being of the UK | | | | | |
| Central Government's spending | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A Security and Intelligence Agencies | 752,394 | 82,120 | 600 | 81,520 | 833,914 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| Non-cash items | | | | | |
| RfR1 – B Security and Intelligence Agencies | 159,622 | 320 | – | 320 | 159,942 |
| Total RfR1 | | 82,440 | 600 | 81,840 | |

| | Present Net Provision | Change in Provision | £'000 New Provision |
|-----------------------------|-----------------------|---------------------|------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | 123,199 | 19,950 | 143,149 |
| Non-Operating A-inA | 3,114 | – | 3,114 |
| Net cash requirement | 901,195 | 100,970 | 1,002,165 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | | £'000 Non-Operating A in A |
|---|----------------|----------------|---------------|------------------|---------------|------------------|----------------|--------------|----------------------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | | |
| RfR1: Protecting and promoting the national security and economic well being of the UK | 548,506 | 501,286 | – | 1,049,792 | 56,318 | 993,474 | 143,149 | 3,114 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | |
| Central Government's spending | | | | | | | | | |
| ★A Security and Intelligence Agencies | 524,137 | 365,713 | – | 889,850 | 55,936 | 833,914 | 143,149 | 3,114 | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| Non-Cash items | | | | | | | | | |
| B Security and Intelligence Agencies | 24,369 | 135,573 | – | 159,942 | – | 159,942 | – | – | |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | | |
| C Security and Intelligence Agencies | – | – | – | – | 382 | –382 | – | – | |
| RfR2: Security Service and Secret Intelligence Service superannuation | | | | | | | | | |
| | – | – | 33,231 | 33,231 | – | 33,231 | – | – | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | |
| Central Government's spending | | | | | | | | | |
| A Security and Intelligence Agencies | – | – | 33,231 | 33,231 | – | 33,231 | – | – | |
| TOTAL | 548,506 | 501,286 | 33,231 | 1,083,023 | 56,318 | 1,026,705 | 143,149 | 3,114 | |

Part II: Resource to cash reconciliation

| | £000 | | |
|---|-----------------|-------------------------------|------------------|
| | Present | Increase (+)/ Decrease (-) | Revised |
| Net Total Resources | 944,865 | 81,840 | 1,026,705 |
| Voted capital items | | | |
| Capital expenditure | 123,199 | 19,950 | 143,149 |
| less: Non-operating A in A | 3,114 | - | 3,114 |
| Total net voted capital | 120,085 | 19,950 | 140,035 |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | -23,269 | -1,100 | -24,369 |
| Depreciation | -136,353 | 780 | -135,573 |
| New provisions and adjustments to previous provisions | - | - | - |
| Other non-cash items | -25,436 | - | -25,436 |
| Increase (+)/decrease (-) in stock | - | - | - |
| Increase (+)/decrease (-) in debtors | 21,303 | - | 21,303 |
| Increase (-)/decrease (+) in creditors | - | - | - |
| Use of provisions | - | - | - |
| Total accruals to cash adjustments | -163,575 | -320 | -164,075 |
| Excess cash to be CFERd | - | - | - |
| Adjustment to reflect departmental underspending on cash | | -500 | -500 |
| Net Cash requirement | 901,195 | 100,970 | 1,002,165 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Cost Statement

| | £'000 2002-03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | 501,625 |
| Total Net Administration Costs | 501,625 |
| Net Programme Costs | |
| RfR1 | 491,849 |
| RfR2 | 32,731 |
| Total Net Programme Costs | 524,580 |
| TOTAL NET OPERATING COST | 1,026,205 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 1,026,205 |
| CFERs | - |
| Non-voted expenditure | - |
| RESOURCE BUDGET OUTTURN | 1,026,587 |

Notes to the Estimate

Reconciliation of Resource expenditure between Estimates, Accounts and Budgets

| | £'000 |
|---|----------------------|
| | 2002-03 provision |
| Net Resource Outturn (Estimates) | 1,026,205 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | – |
| Consolidated Fund Extra Receipts in the OCS | – |
| Net Operating Costs (Accounts) | 1,026,205 |
| <i>Adjustments for:</i> | |
| Gains/losses from sale of capital assets | 382 |
| Resource Budget Outturn (Budget) | 1,026,587 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 833,914 |
| Annually Managed Expenditure (AME) | 192,673 |

Reconciliation of capital expenditure between Estimates and Budgets

| | £'000 |
|--|----------------------|
| | 2002-03 provision |
| Net Voted Capital Outturn (Estimates) | 140,035 |
| Capital Budget Outturn (Budget) | 140,035 |
| <i>of which:</i> | |
| Departmental Expenditure Limits (DEL) | 140,035 |
| Annually Managed Expenditure (AME) | – |

Explanation of Accounting Officer responsibilities

The Treasury has appointed the Security & Intelligence co-ordinator & Permanent Secretary, Cabinet Office, Sir David Omand, as Accounting Officer for the Security and Intelligence Agencies.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations in Aid

| | £'000 | |
|--|---------------------|-----------------------------|
| | Provision 2002-03 | |
| | Operating A in A | Non- operating A in A |
| RfR1: Protecting and promoting the national security and economic well being of the UK. | | |
| Non operating | – | 3,114 |
| Operating | 56,318 | – |
| Total RfR1 | 56,318* | 3,114** |

* Amount that may be applied as appropriations in aid 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.

** Amounts that may be applied as non-operating appropriations in aid in addition to the net total, arising from the sale of fixed assets and from the sale of freehold interest and land.

Departmental Expenditure Limits and administration costs limits

As announced by the Prime Minister to the House of Commons the Security and Intelligence Agencies Resource and Capital DEL will change as follows:

| Resources | | Capital | |
|-----------|-------------|-----------|-------------|
| Change | 81,520,000 | Change | 19,950,000 |
| New DEL | 833,914,000 | New DEL | 139,653,000 |
| of which: | | of which: | |
| Voted | 833,914,000 | Voted | 139,653,000 |
| Non Voted | – | Non Voted | – |

The administration costs limit has been increased by £27,205,000 from £450,051,000 to £477,256,000.

Cash which may be retained to offset expenditure

| | £'000 |
|--|--------|
| Cash which may be retained to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid. | 56,318 |

Privy Council Office

Introduction

This Supplementary Estimate is required to provide additional resources of £270,000 in respect of the Privy Council Office administration costs

2. Symbols are explained in the introduction to this booklet.

PART I

£

RfR1:**Ensuring the orderly conduct of Privy Council Office business**

270,000

Total net resource requirement

270,000

Additional Net Cash Requirement

270,000

SUPPLEMENTARY amounts required in the year ending 31 March 2003 for expenditure by the Privy Council Office on:

RfR1: Ensuring the orderly conduct of Privy Council Office business

Administration and associated non-cash items.

Part II: Changes proposed

| | Present Net Provision | Change in Gross Provision | Change in A-in-A | Change in Net Provision | £'000 New Net Provision |
|--|--------------------------|---------------------------------|---------------------|-------------------------------|-------------------------------|
| RfR1: | | | | | |
| Ensuring the orderly conduct of Privy Council Office business | | | | | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | |
| RfR1 – A Administration | 2,798 | 270 | – | 270 | 3,068 |
| Spending in Annually Managed Expenditure (AME) | | | | | |
| <i>Non-cash items</i> | | | | | |
| RfR1 – B Administration | 3 | 3 | – | – | 3 |
| Total RfR1 | | 270 | – | 270 | |

| | Present Provision | Change in Provision | £'000 New Provision |
|-----------------------------|----------------------|------------------------|---------------------------|
| Capital and Cash | | | |
| Total Capital Expenditure | – | – | – |
| Non-Operating A-inA | – | – | – |
| Net Cash Requirement | 2,789 | 270 | 3,059 |

Part II: Revised subhead detail including additional provision

| | Resources | | | | | | Capital | £'000 |
|--|--------------|-----------------------|-------------|---------------------|-------------|-------------------|--------------|----------------------------------|
| | 1 Admin | 2 Other Current | 3 Grants | 4 Gross Total | 5 A in A | 6 Net Total | 7 Capital | 8 Non- Operating A in A |
| RfR1: | 3,111 | – | – | 3,111 | 40 | 3,111 | – | – |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | |
| <i>Central Government spending</i> | | | | | | | | |
| *A Administration | 3,108 | – | – | 3,108 | 40 | 3,068 | – | – |
| Spending in Annually Managed Expenditure | | | | | | | | |
| <i>Non-cash items</i> | | | | | | | | |
| B Administration | 3 | – | – | 3 | | 3 | | – |
| TOTAL | 3,111 | – | – | 3,111 | 40 | 3,071 | – | – |

Part II: Resource to Cash Reconciliation

| | Present | Increase + / Decrease – | £000 Revised |
|---|--------------|----------------------------|-----------------|
| Net total Resources | 2,801 | 270 | 3,071 |
| Voted capital items | | | |
| Capital expenditure | – | – | – |
| Less non-operating A in A | – | – | – |
| Total net voted capital | – | – | – |
| Accruals to cash adjustments: | | | |
| Cost of Capital charges | –2 | – | –2 |
| Depreciation | –1 | – | –1 |
| New provisions and adjustments to previous provisions | 11 | – | 11 |
| Other non-cash items | –20 | – | –20 |
| Increase(+)/decrease (–) in stock | – | – | – |
| Increase(+)/decrease (–) in debtors | – | – | – |
| Increase(–)/decrease (+) in creditors | – | – | – |
| Use of provisions | – | – | – |
| Total accruals to cash adjustments | –12 | – | –12 |
| Excess cash to be CFERd | – | – | – |
| Net Cash Requirement | 2,789 | 270 | 3,059 |

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision.

Forecast Operating Costs Statement

| | £'000 2002-03 provision |
|---------------------------------------|-------------------------------|
| Net Administration Costs | |
| RfR1 | 3,071 |
| Total Net Administration Costs | 3,071 |
| Net Programme Costs | |
| RfR1 | – |
| Total Net Programme costs | – |
| TOTAL NET OPERATING COST | 3,071 |
| <i>of which:</i> | |
| NET RESOURCE OUTTURN | 3,071 |
| <i>CFERs</i> | – |
| <i>Non-voted expenditure</i> | – |
| RESOURCE BUDGET OUTTURN | 3,071 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, accounts and budgets

| | £'000 |
|---|------------------------------|
| | 2002-03 provision |
| Net Resource Outturn (Estimates) | 3,071 |
| <i>Adjustments for:</i> | |
| Non-Voted expenditure in the OCS | — |
| Consolidated Fund Extra Receipts in the OCS | — |
| Net Operating Costs (Accounts) | 3,071 |
| Resource Budget Outturn (Budget) | 3,071 |
| <i>of which:</i> | |
| Departmental Expenditure Limit (DEL) | 3,068 |
| Annually Managed Expenditure (AME) | 3 |

Explanation of Accounting Officer Responsibilities

Alex Galloway, Clerk of the Council, is Principal Accounting Officer and Permanent Head of Department

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*. Under the terms of the Accounting Officers' Memorandum the relationship between the Treasury's Principal Accounting Officer and Additional Accounting Officer, together with their respective responsibilities is set out in writing.

Analysis of Appropriations in Aid

| | £'000 | |
|---|-----------------------------|--------------------------------------|
| | <u>2002-03 Provision</u> | |
| | <u>Operating A-in-A</u> | <u>Non- operating A-in-A</u> |
| RfR1 | | |
| Ensuring the orderly conduct of Privy Council Office business | | |
| Fees levied in respect of appeals and other proceedings before the Judicial Committee of the Privy Council Office | 40 | — |
| Total A in A | 40 | — |

*Amount that may be applied in addition to the net total arriving from fees levied in respect of appeals and other proceedings before the Judicial Committee of the Privy Council.

Departmental Expenditure Limits and Administration Costs Limits

As announced to the House of Commons the PCO DEL will change as follows:

| Resources | | Capital | |
|------------------|-----------|----------------|---|
| Change | 270,000 | Change | – |
| New DEL | 3,068,000 | New DEL | – |
| of which: | | of which: | |
| Voted | 3,068,000 | Voted | – |
| Non Voted | – | Non Voted | – |

The Administration Costs Limit has been increased by £270,000 from £2,801,000 to £3,746,000.

Cash which may be retained to offset expenditure

| | |
|---|-------|
| Cash which may be retained by the department to offset expenditure in the year due to its relationships with income that has been or will be appropriated in aid. | £'000 |
| | 40 |

Section 3.

New Estimates

Department for Transport

Introduction

1. New Supply Estimate for 2002-03 to be created for the Department for Transport as part of the Machinery of Government changes announced by the Prime Minister on 29 May . Originally part of the Department for Transport, Local Government and the Regions (now Office of the Deputy Prime Minister). The original Supply Estimate for the Department for Transport, Local Government and the Regions 2002-03 can be found in the Central Government Supply Estimates 2002-03: Summary Request for Supply (HC795).
2. The Estimate for 2002-03 consists of one request for resources:

RfR1: Promoting modern, integrated and safe transport and providing customer-focused regulation
3. Details of programmes covered by the Request for Resources can be found in the Department for Transport, Local Government and the Regions Annual Report 2002 (DAR) Cm5405 and the Supplementary Budget Information publication (SBI) Cm 5510.
4. The Department's main objective is for 'Reliable safe and secure transport for everyone which respects the environment'.
5. Chapter 2 of the DAR covers the administrative costs of the Department (sections W and AJ). Chapter 3 and 10 of the DAR cover the development of an integrated transport system across Great Britain, and programmes contributing to improved transport safety (sections A to AW (excluding W and AJ)). Funding is transferred to the Scottish Executive to make payments in respect of the ScotRail franchise and to fund track access grant (TAG) in Scotland.
6. Advances to agent authorities in respect of maintenance and improvement of the trunk roads network in England will be made as required and charged to the request for resource at the time of issue, with adjustments being made on subsequent advances. The authorities will be required to submit statements of expenditure incurred. Local authority accounts will be inspected on behalf of the Secretary of State for Transport by auditors appointed by the Audit Commission ♥.
7. Provision of £9,382,337,000 (resource) and £738,469,000 (capital) transferred from the Office of the Deputy Prime Minister formerly known as the Department for Transport, Local Government and the Regions to the Department for Transport, resulting in a transfer £6,633,676,000 in respect of the net cash requirement. This in respect to transport related programmes and the administration of the department, as part of the machinery of government changes announced by the Prime Minister on 29 May.
8. Further provision of £990,941,000 (resource) and £32,323,000 (capital) has been covered by a draw-down on the main reserve of £643,000,000 for London Underground; taking up Departmental Unallocated Provision of £100,000,000 for London Underground; taking up End-Year-Flexibility of £150,800,000 (resource) and £13,020,000 (capital) for resource pressures; net transfers relating to Other Government Departments of -£34,018,000 (resource; £9,100,000 take up of Capital Modernisation Fund; a revised forecast for Annually Managed Expenditure of £100,000,000; a net transfer of £16,771,000 from non-voted credit approvals and technical adjustments of £24,591,000. Resulting in a net cash requirement of £923,264,000.
9. Detailed analysis of appropriations-in-aid and Consolidated Fund Extra Receipts can be found in Tables I and II respectively that accompany this Estimate.
10. Symbols are explained in the Introduction to this booklet.

Part I

£

| | |
|--|--------------------|
| RfR1: Promoting modern, integrated and safe transport and providing customer-focused regulation | 990,941,000 |
| Total net resource requirement | 990,941,000 |
| Net cash requirement | 923,264,000 |

Amounts required in the year ending 31 March 2003 for expenditure by the Department for Transport:

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

ports and shipping services; the National Ports Council Pension and Compensation Schemes; water freight grants; the Maritime and Coastguard Agency; civil and international aviation services including costs relating to the World Health Organisation study into airline travel and Deep Vein Thrombosis; assistance to airlines to compensate for losses arising from the terrorist attacks on 11 September 2001 in the United States of America; support for and loans to National Air Traffic Services; the Highways Agency; payments to private consortia for design, build, finance and operate schemes; transport grants to local authorities, including the Greater London Authority; payments to local authorities for the maintenance of de-trunked roads and promotion, publicity and publications in support of the Highways Agency operations; the operation of the Dartford River crossing; compensation to private tolled undertakings for the imposition of VAT on tolls; rebates of fuel duty to bus operators; support for the haulage industry; support to nationalised transport industries; Powershift and CleanUp programmes; "Transport Direct" royal travel; transport security; the Commission for Integrated Transport; trans-European network funds; support for other minor transport services; driver and vehicle licensing and registration and the collection of revenue; compensation and pension costs relating to pre-DVLC local authority driver and vehicle licensing staff; the development and operation of systems associated with registration and licensing; the provision by DVLA of anonymised data and other services; the Vehicle Certification Agency; grants and loans to the Vehicle Inspectorate and Driving Standards Agency (trading funds); vehicle and traffic enforcement; speed and red light camera enforcement; grants to Railtrack, British Rail and London Underground; payments and loans under section 63 of the Railways Act 1993 to Railtrack plc (in administration), grants to the Strategic Rail Authority; the Channel Tunnel Rail Link; National Freight Company travel concessions; railway industry and National Freight Company pensions funds; research, development, statistics, censuses and surveys, safety and mobility, publicity, promotion and advice and publications, monitoring, consultancies; selling into wider markets, including export opportunities; subscriptions and contributions to international organisations; compensation; the administration and operation of the department; the purchase, acquisition, hire, lease and rent of land, buildings, plant, equipment, machinery, vehicles and capital assets; special payments; and associated non-cash items.

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

Part II: Subhead detail

| | Resources | | | | | Capital | | 2002-03 | 2001-02 | £'000 | |
|---|---|------------------|------------------|-------------------|-------------------|----------------|----------------|----------------------|--------------------|--------------------|---------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 2000-01 | |
| | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | Net Total Resource | Net Total Resource | |
| RfR1: Promoting modern, integrated and safe transport and providing customer-focused regulation. | 528,510 | 5,331,918 | 5,328,976 | 11,189,404 | 10,198,463 | 990,941 | 798,446 | 766,123 | 9,305,083 | 6,681,846 | |
| Spending in Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | | | |
| ★ A | Ports and shipping services | – | 12,283 | 895 | 13,178 | 1,259 | 11,919 | 870 | – | 5,115 | 13,586 |
| ★ B | Maritime and Coastguard Agency | 44,348 | 57,664 | 80 | 102,092 | 7,642 | 94,450 | 15,767 | – | 95,662 | 88,240 |
| ★ C | Aviation services | – | 14,462 | 34,884 | 49,346 | 35,274 | 14,072 | 65,207 | – | 70,953 | 27,219 |
| ★ D | Transport security and royal travel | – | 2,205 | 6,544 | 8,749 | – | 8,749 | – | – | 8,702 | 6,962 |
| ★ E | Highways Agency | 74,718 | 600,296 | 5,500 | 680,514 | 25,615 | 654,899 | 654,096 | 12,286 | 643,430 | 631,656 |
| ★ F | Publicity and advice | – | 16,736 | 21 | 16,757 | – | 16,757 | – | – | 17,431 | 17,303 |
| ★ G | Research | – | 35,158 | – | 35,158 | – | 35,158 | 9,446 | – | 29,439 | 20,688 |
| ★ H | Statistics, censuses and surveys | – | 7,259 | – | 7,259 | – | 7,259 | 619 | – | 6,547 | 5,572 |
| ★ I | Consultancies and other services for roads and local transport | – | 29,805 | 1,170 | 30,975 | 126 | 30,849 | 1,060 | – | 21,923 | 14,492 |
| ★ J | Railways | – | 5,572 | 432 | 6,004 | – | 6,004 | – | – | 18,174 | 4,068 |
| ★ K | Commission for Integrated Transport | – | 1,500 | – | 1,500 | – | 1,500 | – | – | 2,300 | 472 |
| L | Other Railways | – | 67 | 55,420 | 55,487 | – | 55,487 | – | – | 57,500 | 48,213 |
| ★ M | Water freight grants | – | – | 220 | 220 | – | 220 | – | – | 1 | 11,598 |
| ★ N | Bus fuel duty rebates | – | 329,500 | – | 329,500 | – | 329,500 | – | – | 316,000 | 300,464 |
| ★ O | Driver and Vehicle Licensing Agency | 251,831 | 6,091 | – | 257,922 | 141,406 | 116,516 | 5,121 | – | 125,672 | 90,826 |
| ★ P | Vehicle and traffic enforcement | – | 21,831 | – | 21,831 | 16,550 | 5,281 | – | – | 7,217 | –425 |
| ★ Q | Vehicle Certification Agency | 4,906 | 2 | – | 4,908 | 5,195 | –287 | 661 | – | –236 | –191 |
| ★ R | PowerShift and CleanUp | – | 18,450 | – | 18,450 | – | 18,450 | – | – | 20,270 | 14,020 |
| ★ S | Dartford River Crossing | – | – | – | – | 48,600 | –48,600 | – | – | 1 | – |
| | <i>Priority Routes in London</i> | – | – | – | – | – | – | – | – | – | 1,625 |
| | <i>Government Office Programme Expenditure</i> | – | – | – | – | – | – | – | – | – | 1,520 |
| | <i>Docklands Light Railway</i> | – | – | – | – | – | – | – | – | – | 5,300 |
| | <i>DLR Royal Mint Street claim</i> | – | – | – | – | – | – | – | – | – | 15,079 |
| | <i>British Rail Grant</i> | – | – | – | – | – | – | – | – | – | 64,093 |
| | <i>Office of Passenger Rail Franchising</i> | – | – | – | – | – | – | – | – | – | 710,707 |
| ★ T | Railtrack plc (in administration) | – | 45,000 | – | 45,000 | 60,000 | –15,000 | – | – | 15,000 | – |
| ★ U | Vehicle Inspectorate trading fund | – | – | – | – | – | – | 3,090 | – | 100 | 132 |
| ★ V | Driving Standards Agency trading fund | – | – | – | – | – | – | 2,800 | – | 70 | 100 |
| ★ W | Central administration | 112,296 | 4,688 | – | 116,984 | 11,942 | 105,042 | 25,882 | – | 95,959 | 105,241 |
| Support for Local Authorities | | | | | | | | | | | |
| ★ X | GLA transport grant | – | – | 296,190 | 296,190 | – | 296,190 | – | – | 211,188 | 267,459 |
| ★ Y | Other transport grants (discretionary resource expenditure) | – | – | 108,540 | 108,540 | – | 108,540 | – | – | 67,348 | 38,617 |
| Z | Other transport grants (non-discretionary resource expenditure) | – | – | 10,000 | 10,000 | – | 10,000 | – | – | 21,000 | 210,133 |
| ★ AA | Speed and red-light camera enforcement | – | – | 73,610 | 73,610 | 73,609 | 1 | – | – | 7,009 | 4,425 |
| | <i>Pre-DVLC pensions</i> | – | – | – | – | – | – | – | – | – | 1,318 |

Part II Subhead detail (continued)

| | | Resources | | | | | Capital | | 2002-03 | 2001-02 | £'000 |
|--|--|----------------|------------------|------------------|-------------------|-------------------|----------------|----------------|----------------------|--------------------|--------------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | Admin | Other Current | Grants | Gross Total | A in A | Net Total | Capital | Non-Operating A in A | Net Total Resource | Net Total Resource |
| | | | | | | | | | | | |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | | | |
| <i>Non-Cash items</i> | | | | | | | | | | | |
| AB | Ports and Shipping Services | - | 1,009 | - | 1,009 | - | 1,009 | - | - | 1,095 | 960 |
| AC | Maritime and Coastguard Agency | 1,854 | 4,633 | - | 6,487 | - | 6,487 | - | - | 4,904 | 5,700 |
| AD | Aviation services | - | 737 | - | 737 | - | 737 | - | - | 3,207 | 661 |
| AE | Highways Agency | 7,285 | 3,676,411 | - | 3,683,696 | - | 3,683,696 | - | - | 3,574,500 | 2,771,279 |
| AF | Statistics, censuses and surveys | - | 175 | - | 175 | - | 175 | - | - | 169 | 88 |
| AG | Consultancies and other services for roads and local transport | - | 48 | - | 48 | - | 48 | - | - | 48 | 63 |
| AH | Driver and Vehicle Licensing Agency | 18,293 | - | - | 18,293 | - | 18,293 | - | - | 15,261 | 8,959 |
| AI | Vehicle Certification Agency | 283 | - | - | 283 | - | 283 | - | - | 195 | 240 |
| AJ | Central administration | 12,696 | 45 | - | 12,741 | - | 12,741 | - | - | 10,736 | 8,707 |
| <i>Office of Passenger Rail Franchising</i> | | | | | | | | | | | |
| Other spending outside Departmental Expenditure Limits (DEL) | | | | | | | | | | | |
| AK | Highways Agency | - | 439,291 | - | 439,291 | - | 439,291 | - | - | 422,786 | 455,760 |
| AL | Vehicle Inspectorate trading fund | - | - | 3 | 3 | 2 | 1 | - | 1,395 | -1 | 3,003 |
| AM | Driving Standards Agency trading fund | - | - | 2 | 2 | 1 | 1 | - | 146 | 1 | - |
| AN | Strategic Rail Authority | - | - | 2,225,954 | 2,225,954 | - | 2,225,954 | - | - | 1,796,749 | 289,575 |
| AO | Trans European network payments for other local transport projects (net) | - | - | 1 | 1 | - | 1 | - | - | 1 | - |
| AP | Trans European network payments for rail and other transport industries projects (net) | - | - | 2 | 2 | - | 2 | - | - | 2 | - |
| AQ | Water Freight Grant | - | - | 11,122 | 11,122 | - | 11,122 | - | - | 21,769 | 16,474 |
| AR | Other Railways | - | - | 420,990 | 420,990 | - | 420,990 | - | - | 216,000 | 23,404 |
| AS | Goods Vehicle VED Relief | - | 1,000 | - | 1,000 | - | 1,000 | - | - | 229,000 | 291,577 |
| AT | Capital transport grants to local authorities | - | - | 188,247 | 188,247 | - | 188,247 | - | - | 109,176 | 53,463 |
| AU | Publicity and advice | - | - | 1,744 | 1,744 | - | 1,744 | - | - | - | - |
| AV | GLA Transport Grant | - | - | 732,500 | 732,500 | - | 732,500 | - | - | 508,700 | 34,352 |
| <i>Payments from Office for Passenger Rail Franchising</i> | | | | | | | | | | | |
| <i>London Regional Transport</i> | | | | | | | | | | | |
| <i>Consultancies and other services for roads and local transport</i> | | | | | | | | | | | |
| <i>Driver and Vehicle Licensing Agency</i> | | | | | | | | | | | |
| <i>Docklands Light Railway</i> | | | | | | | | | | | |
| <i>Trans-European network payments (net)</i> | | | | | | | | | | | |
| <i>Trans European network for local authority transport projects (Net)</i> | | | | | | | | | | | |
| AW | London Underground | - | - | 766,000 | 766,000 | - | 766,000 | - | - | 520,000 | - |
| AX | Payment from Office of the Deputy Prime Minister for Machinery of Government Transfers | - | - | 388,905 | 388,905 | 9,771,242 | -9,382,337 | 13,827 | 752,296 | - | - |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | | |
| <i>Central Government Spending</i> | | | | | | | | | | | |
| <i>Aviation Services</i> | | | | | | | | | | | |
| Total | | 528,510 | 5,331,918 | 5,328,976 | 11,189,404 | 10,198,463 | 990,941 | 798,446 | 766,123 | 9,305,083 | 6,681,846 |

Part II: Resource to Cash Reconciliation

| | 2002-2003 | | 2001-02 | | £000 |
|---|-----------------|-------------------|-------------------|--|---------|
| | Provision | | Provision | | 2000-01 |
| | | | | | Outturn |
| Net total Resources | 990,941 | 9,305,083 | 6,681,846 | | |
| Voted capital items | | | | | |
| Capital expenditure | 798,446 | 2,275,776 | 521,497 | | |
| <i>less non-operating A in A</i> | <i>766,123</i> | <i>1,620,887</i> | <i>74,906</i> | | |
| Total net voted capital | 32,323 | 654,889 | 446,591 | | |
| Accruals to cash adjustments: | | | | | |
| Cost of capital charges | - | -3,607,695 | -2,964,911 | | |
| Depreciation | - | -42,142 | -28,529 | | |
| New provisions and adjustments (adjustment not relating to Machinery of Government changes) | -100,000 | 38,125 | 193,575 | | |
| Other non-cash items | -46 | -135 | -74 | | |
| Increase(+)/decrease (-) in stock | - | -167 | -134 | | |
| Increase (+)/decrease (-) in debtors | - | -212,133 | 3,916 | | |
| Increase (-)/decrease (+) in creditors | - | 329,749 | -118,479 | | |
| Use of provisions | - | 1,645 | 295 | | |
| Total accruals to cash adjustment | -100,000 | -3,492,753 | -2,914,341 | | |
| Excess cash to be CFERd | - | - | - | | |
| Net cash requirement | 923,264 | 6,467,219 | 4,214,096 | | |

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)

| | 2002-03 | | 2001-02 | | £'000 | |
|---|---------------|--------------------|---------------|--------------------|----------------|--------------------------|
| | Income | Provision Receipts | Income | Provision Receipts | Income | 2000-01 Outturn Receipts |
| Operating income not classified as appropriations-in-aid | 83,242 | 77,797 | 21,416 | 1,151 | 53,881 | 53,201 |
| Non-operating income not classified as appropriations in aid | 2,034 | - | 1,959 | - | 2,051 | - |
| Other amounts collectable on behalf of the Consolidated Fund | - | - | 73,008 | 52,734 | 77,817 | 54,777 |
| Excess cash receipts to be surrendered to the Consolidated Fund | - | - | - | - | - | - |
| Total | 85,276 | 77,797 | 96,383 | 53,885 | 133,749 | 107,978 |

Forecast Operating Cost Statement

| | £'000 | | |
|---------------------------------------|------------------------|----------------------|--------------------|
| | 2002–2003 Provision | 2001–02 Provision | 2000–01 Outturn |
| Net Administration Costs | | | |
| Request for Resources 1 | 369,670 | 363,940 | 313,190 |
| Total Net Administration Costs | 369,670 | 363,940 | 313,190 |
| Net Programme Costs | | | |
| Request for Resources 1 | 9,920,366 | 8,919,727 | 6,314,775 |
| Non-voted Expenditure | – | – | – |
| Total Net Programme Costs | 9,920,366 | 8,919,727 | 6,314,775 |
| TOTAL NET OPERATING COST | 10,290,036 | 9,283,667 | 6,627,965 |
| <i>Of Which:</i> | | | |
| NET RESOURCE OUTTURN | 990,941 | 9,305,083 | 6,681,846 |
| CFER's | –83,242 | –21,416 | –53,881 |
| Non-voted Expenditure | – | – | – |
| RESOURCE BUDGET OUTTURN | 6,994,134 | 6,485,654 | 6,148,884 |

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

| | 2002-2003 Provision | 2001-02 Provision | £000 2000-01 Outturn |
|---|------------------------|----------------------|----------------------------|
| Net Resources Outturn (Estimates) | 990,941 | 9,305,083 | 6,681,846 |
| <i>Adjustments for:</i> | | | |
| Consolidated Fund Extra Receipts in the OCS | -83,242 | -21,416 | -53,881 |
| Other adjustments (Inc Machinery of Government Changes) | 9,382,337 | - | - |
| Net Operating Costs (Accounts) | 10,290,036 | 9,283,667 | 6,627,965 |
| <i>Adjustments for:</i> | | | |
| Other Consolidated Fund Extra Receipts | 78,103 | 19,258 | 24,545 |
| Full resource consumption of non departmental public bodies | -817,521 | -777,959 | -124,373 |
| Full resource consumption of public corporations | -765,869 | -531,876 | 173,584 |
| Capital grants to the private sector and local authorities | -1,384,471 | -883,482 | -153,494 |
| Gains/Losses from sale of capital | - | - | 6 |
| European Union income and related adjustments | 29,865 | 27,832 | 25,801 |
| Voted expenditure outside the budget | -440,291 | -651,786 | -425,150 |
| Unallocated resource provision | 4,282 | - | - |
| Resources Budget Outturn (Budget) | 6,994,134 | 6,485,654 | 6,148,884 |
| <i>Of which:</i> | | | |
| Departmental Expenditure Limit (DEL) | 3,253,235 | 2,929,716 | 2,836,622 |
| Annually Management Expenditure (AME) | 3,740,899 | 3,555,938 | 3,312,262 |

Reconciliation of Capital expenditure between Estimates and Budgets

| | 2002-2003 Provision | 2001-02 Provision | £000 2000-01 Outturn |
|--|------------------------|----------------------|----------------------------|
| Net Voted Capital Outturn (Estimates) | 32,323 | 654,889 | 446,591 |
| Full capital expenditure by non departmental public bodies | 944,102 | 574,489 | 2,801 |
| Full capital expenditure by public corporations | 19,843 | 63,263 | 90,754 |
| Capital grants to the private sector and local authorities | 2,150,471 | 1,403,313 | 474,592 |
| Gains/Losses from sale of capital assets | - | - | -6 |
| Local authority credit approvals | 1,349,953 | 1,183,133 | 766,278 |
| Unallocated capital provision | 793 | - | - |
| Other Adjustments. Including: Reversal of Machinery of Government contra entry; Other capital provision in budget (Other tangible capital expenditure for the Highways Agency) | 1,177,753 | 423,923 | 452,602 |
| Capital budget outturn | 5,675,238 | 4,303,010 | 2,233,612 |
| <i>Of which:</i> | | | |
| Departmental Expenditure Limit (DEL) | 5,675,238 | 4,278,010 | 2,156,612 |
| Annually Management Expenditure (AME) | - | 25,000 | 77,000 |

Explanation of Accounting Officer Responsibilities

1. The Treasury has appointed the Permanent Head of the Department for Transport, Ms Rachel Lomax as Accounting Officer of the Department with responsibility for preparing the Department's accounts and for transmitting them to the Comptroller and Auditor General.
2. The responsibilities of the accounting officers, including responsibility for the propriety and regularity of the public finances for which the accounting officers are answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the accounting officers' memorandum, issued by the Treasury and published in *Government Accounting*.

Analysis of Appropriations-in-Aid

| | £000 | | | | | |
|--|-----------|---------------|-----------|---------------|-----------|---------------|
| | 2002-2003 | | 2001-02 | | 2000-01 | |
| | Operating | Non operating | Operating | Non operating | Operating | Non operating |
| | A-in-A | A-in-A | A-in-A | A-in-A | A-in-A | A-in-A |
| RfR1: Promoting modern, integrated and safe transport and providing customer-focused regulation. | | | | | | |
| Ports and Shipping Services – Section A <i>(Receipts in respect of the IMO building, Mersey Conservancy, shipping services and the hire of Civil Defence equipment)</i> | 1,259 | – | 1,402 | – | 1,493 | – |
| Maritime and Coastguard Agency – Section B <i>(Fees and receipts from the survey of ships, port state control inspections, examinations and the certification of seafarers)</i> | 7,642 | – | 5,742 | – | 7,406 | – |
| Aviation services – Section C <i>(Receipts from Eurocontrol)</i> | 35,274 | – | 30,441 | – | 28,371 | – |
| Highways Agency – Section E | 25,615 | 12,286 | 29,698 | 20,680 | 11,052 | 63,411 |
| <i>Of Which:</i> | | | | | | |
| <i>Highways Agency Programme</i> | 24,415 | – | 28,074 | – | 9,936 | – |
| <i>Highways Agency Administration</i> | 1,200 | – | 1,624 | – | 1,116 | – |
| <i>Book value of sale of existing buildings</i> | – | 10,446 | – | 18,980 | – | 28,290 |
| <i>Book value of sale of other tangible capital</i> | – | 1,840 | – | 1,700 | – | 35,12 |
| Statistics, censuses and surveys – Section H <i>(Sale of statistical services)</i> | – | – | – | – | 27 | – |
| Consultancies and other services for roads and local transport – Section J <i>(Booking fees for driving assessments and disposal of MAVIS vehicles, and recoveries from local authorities in respect of public inquiries into highway orders)</i> | 126 | – | 126 | – | 23 | – |
| Other Railways – Section L <i>(Privatisation of ROSCOS)</i> | – | – | – | – | 11,287 | – |
| Driver and Vehicle Licensing Agency – Section O | 141,406 | – | 149,402 | – | 146,868 | – |
| <i>Of Which:</i> | | | | | | |
| <i>Drivers</i> | 51,170 | – | 53,000 | – | 47,438 | – |
| <i>Vehicles</i> | 60,750 | – | 63,572 | – | 59,104 | – |
| <i>Sale of Marks</i> | 5,600 | – | 6,850 | – | 6,600 | – |
| <i>CT and assignment and related costs</i> | 7,900 | – | 10,000 | – | 12,544 | – |
| <i>Wheelclamping and out of court settlements</i> | 12,000 | – | 12,000 | – | 16,643 | – |
| <i>Award of court costs</i> | 3,000 | – | 3,000 | – | 3,951 | – |
| <i>Accommodation</i> | – | – | 170 | – | 159 | – |
| <i>Other</i> | 986 | – | 810 | – | 425 | – |
| <i>Sale of assets</i> | – | – | – | – | 4 | – |
| Vehicle and traffic enforcement – Section P <i>(Operator Licence enforcement receipts)</i> | 16,550 | – | 16,480 | – | 21,433 | – |
| Vehicle Certification Agency – Section Q <i>(Receipts from the private sector for vehicles and component testing and from the Department for enforcement and related work)</i> | 5,195 | – | 5,195 | – | 5,874 | – |
| Dartford River Crossing: Section S <i>(Receipts from the Dartford River Crossing Ltd)</i> | 48,600 | – | – | – | – | – |
| Government Office Programme Expenditure | – | – | – | – | 2,701 | – |
| Office of Passenger Rail Franchising | – | – | – | – | 96,390 | – |
| (Railtrack plc Administration) – Section T | 60,000 | – | – | 1,600,000 | – | – |
| Central Administration – Section W | 11,942 | – | 13,955 | – | – | – |
| Speed and red-light camera enforcement – Section AA | 73,609 | – | 9,994 | – | 6,183 | – |
| Vehicle Inspectorate trading fund – Section AL <i>(Repayment of deemed and voted loans)</i> | 2 | 1,395 | 2 | 61 | – | 62 |
| Driving Standards Agency trading fund – Section AM <i>(Repayment of deemed and voted loans)</i> | 1 | 146 | 1 | 146 | – | 146 |
| <i>Payments from Office of Passenger Rail Franchising</i> | – | – | – | – | 321,555 | – |
| <i>Consultancies and other services for roads and local transport</i> | – | – | – | 2 | – | – |

Analysis of Appropriations-in-Aid (continued)

| Detail | £000 | | | | | |
|---|------------------------|-------------------------|----------------------|-------------------------|---------------------|-------------------------|
| | 2002-2003 Provision | | 2001-02 Provision | | 2000-01 Outturn | |
| | Operating A-in-A | Non operating A-in-A | Operating A-in-A | Non operating A-in-A | Operating A-in-A | Non operating A-in-A |
| Payment from [Department for Transport, Local Government and the Regions] Office of the Deputy Prime Minister for Machinery of Government Transfers – Section AX | 9,771,242 | 752,296 | – | – | – | – |
| Total | 10,198,463* | 766,123** | 262,438* | 1,620,887** | 660,665* | 63,619** |

*Amount that may be applied as appropriations in aid in addition to the net total arising from:

RTR1: research, statistical and administrative services, fee paying enquiries, dissemination and sales of information, royalties, the loan and hire of equipment, seminars, 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, agencies and non-departmental public bodies; 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 for the use of accommodation; rental income and receipts from property and land; the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; recoveries of seconded staff salaries; fees for driving assessments; driver licence and vehicle fees; fees from duplicate licences; operator licence enforcement receipts; speed and red light camera fixed penalty receipts; fees for the sale, transfer, retention and extension of cherished registration marks; fines from wheel clamping; administration receipts arising from the operation of driver and vehicle licensing; 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; repayments of loans or other payments made to National Air Traffic Services; receipts relating to the World Health Organisation study into airline travel and Deep Vein Thrombosis; repayments of loans or other payments made under section 63 of the Railways Act 1993 to Railtrack plc (in administration); receipts from the Strategic Rail Authority; the Channel Tunnel Rail Link; fees and receipts from the survey of ships, Port State Control inspections, examinations and the certification of seafarers; recoveries in respect of the International Maritime Organisation building; the Mersey Conservancy; shipping services; ports and associated pension and compensation schemes; Eurocontrol; subsidy provided under the New Deal – Welfare to Work; repayments of deemed and voted loans made to the Vehicle Inspectorate and the Driving Standards Agency; and receipts relating to the administration and operation of the department.

**Amounts that may be applied as non-operating appropriations in aid arising from the disposal of land, buildings, plant, equipment, machinery, vehicles and capital assets; the loan or hire of equipment; the sale of motorway service area freeholds; repayments of loans or other payments made under section 63 of the Railways Act 1993 to Railtrack plc (in administration); the Channel Tunnel Rail Link.

Analysis of Consolidated Fund Extra Receipts

£000

| | 2002-03 Provision | | 2001-02 Provision | | 2000-01 Outturn | |
|---|----------------------|---------------|----------------------|---------------|--------------------|----------------|
| | Income | Receipts | Income | Receipts | Income | Receipts |
| • Humber Bridge Board | 15,000 | – | 11,100 | – | 8,783 | – |
| • Tyne Tunnel | 1,465 | – | 1,740 | – | 1,733 | – |
| • Second Mersey Tunnel | 2,663 | – | 2,660 | – | 2,662 | – |
| • Grants, services and consultancies for roads and local transport | – | – | 20 | – | 20 | – |
| • Speed and red light camera enforcement | – | – | 4,390 | – | – | – |
| • Bus fuel duty grants | 500 | – | – | – | 836 | – |
| • Highways Agency | 4,600 | – | 4,621 | – | 11,038 | – |
| Maritime and Coastguard Agency (<i>Fees from registration of ships</i>) | 686 | – | 686 | – | 6,852 | – |
| Driver and Vehicle Licensing Agency | 56,316 | – | 65,482 | – | 97,490 | – |
| <i>Of Which:</i> | | | | | | |
| <i>Sale of Marks</i> | 29,400 | – | 38,150 | – | 50,071 | – |
| <i>Cherished Transfers and Assignments</i> | 25,674 | – | 26,000 | – | 27,126 | – |
| <i>Interest from Post Office</i> | 1,220 | – | 1,220 | – | 2,338 | – |
| <i>Excess Appropriations-in-Aid</i> | – | – | 90 | – | 16,508 | – |
| <i>Other</i> | 22 | – | 22 | – | 815 | – |
| Driving Standards Agency (Trading Fund) | 973 | – | 984 | – | 971 | – |
| Vehicle Inspectorate (Trading Fund) | 3,034 | – | 2,805 | – | 3,051 | – |
| Transport statistics – freight | – | – | – | – | 206 | – |
| Operator Licence Fee Refunds | – | – | – | – | 23 | – |
| Central administration | 39 | – | 1,895 | – | 84 | – |
| Miscellaneous | – | 77,797 | – | 53,885 | – | 107,978 |
| Total | 85,276 | 77,797 | 96,383 | 53,885 | 133,749 | 107,978 |

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:

- RfR1 Section X Expenditure of £150,000, for grants in respect of centres of excellence. ■
- RfR1 Section C Expenditure of up to £30,000,000, for support for and loans to National Air Traffic Services. ■
- RfR1 Section I Expenditure of £100,000 for compensation to private tolled undertakings for the imposition of VAT on tolls. ■

Changes to accounting policies

Treatment of Sale of Mark income

The Vehicle Excise and Registration Act 1994, supplemented by the Sale of Marks Regulations 1995, empowered the Driver and Vehicle Licensing Agency to charge for the sale of previously unissued registration marks, for the transfer of cherished registration marks and for the assignment of cherished marks to the vehicles.

HM Treasury directed in 1999–2000 that this income should be classified as taxation for the purposes of the National Accounts. But, as in previous years, the Agency is entitled to cover the costs to the Agency of carrying out these activities and this income is shown separately in the operating cost statement. The balance of income (i.e. the taxation element) from these activities is surrendered to the Consolidated Fund. In previous years the taxation income was excluded from the operating cost statement and shown separately in a note to the accounts. For 2001–02 Treasury has agreed, however, that the taxation income can be included in the operating cost statement. The 2000–01 accounts have been restated to reflect this change in accounting policy.

2002–03 Departmental Expenditure Limits and administration costs limits

| | Gross provision | Income | £'000 Total administration costs limits |
|---|-----------------|--------|--|
| Total gross administration costs limit | 487,285 | –7,839 | 479,446 |
| Total net administration costs limit | 4,906 | –5,195 | –289 |
| NB: Net administration costs in non-cash AME | | | 40,411 |
| Admin costs treated as resource in Estimates but as capital in Budgets (under stage 1 of RAB) | | | – |
| Other Income not netted off gross administration cost limits | | | –145,806 |
| Total net admin costs | | | 373,762 |
| <i>Of which:</i> | | | |
| Voted in OCS | | | 369,670 |
| Non-voted administration departmental unallocated provision | | | 4,092 |

2002–2003 Departmental Limits (continued)

| | £'000 | | |
|------------------|------------------|------------------|------------------|
| | Voted | Non-voted | Total |
| Resource DEL | 1,862,956 | 1,390,279 | 3,253,235 |
| Capital DEL | 3,362,095 | 2,313,143 | 5,675,238 |
| Total DEL | 5,225,051 | 3,703,422 | 8,928,473 |

¹ Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 1 of Resources Accounting and Budgeting, as implemented in the 2000 Spending Review.

² Excludes EU receipts included in Estimates, but excluded in Budgets.

Comparison of provision sought with final provision & forecast outturn

¹ **RfR 1:** The resource provision sought for 2002–03 is 11% (£1,068 million) higher than the final resource provision for 2001-02.

¹ Figure for resource provision sought for 2002-03, Excludes the Machinery of Government 'Contra Entry' and includes extra funds sought in addition to those transferred from the Office of the Deputy Prime Minister.

Gifts

Request for Resources 1 – promoting modern, integrated and safe transport and providing customer-focused regulation

The gifts delegations associated with this RfR1 are as follows:-

Gifts by the Driver and Vehicle Licensing Agency to visiting dignitaries (primarily from European Union member states), not exceeding a total of £500 in any one year;

Gifts by the Driver and Vehicle Licensing Agency of obsolete equipment/furniture to charities, not exceeding a total of £1,000 in any one year;

A total donation of £1,000 by the Driver and Vehicle Licensing Agency to charity through the local office of the year scheme.

A total donation of £500 a year by the Driver and Vehicle Licensing Agency to the West Wales Association of Communication Centres.

Gifts presented by Ministers on official delegations; and

Prizes totalling up to £25 for naming new Department for Transport magazine.

Cash which may be retained to offset expenditure

Cash, which may be retained to offset expenditure in the year due to its relationship with income that has been or will be appropriated in aid, is 2002–03, £10,964,586,000; 2001–02, £1,883,325,000; 2000–01, £724,284,000.

Contingent liabilities

There were several outstanding contingent liabilities at 31 March 2002, where any costs arising would be met from this request for resources as follows:

| Statute | Nature of liability Statutory liabilities charged to request for resources | £m |
|---|---|----------------|
| Merchant Shipping Act 1988, Section 26 | Large payments of compensation as the result of injuries to trainees participating in the Merchant Navy Scheme for maritime training (SmarT), as the Department is responsible for the cost of compensation for any injuries to trainees, under the industrial injuries compensation scheme. There are no known liabilities for 2000-01 or 2001-02. Small payments could be met from existing provision | 0.3 |
| Channel Tunnel Act 1987, Sections 25, 26 and 29 | Potential liabilities in the event of termination of Eurotunnel's concession | Unquantifiable |
| Marine and Aviation Insurance Act 1952, Section 1 | Government war risk reinsurance for British ship owners insuring their vessels with the British Mutual War Risks Association (Clubs). Under the current agreement with Clubs, the Government provides 95% reinsurance for Queen's enemy risks (QER). A contingent liability arises from the continuous QER cover for the hull and machinery value of British flag vessels entered with the Clubs | Unquantifiable |
| Railways Act 1993, Schedule 11, paragraph 11 | Guarantee to the Trustee of the Railways Pension Scheme (RPS) in respect of any deficit arising in the 1994 Pensioners Section of the RPS. The 1994 Pensioners Section comprises members of the former Pensioners (A) and (B) sections of the Railways pension scheme and pensioners/deferred pensioners transferred in from BR Section of the RPS on 30 December 2000. | Unquantifiable |
| Land Compensation Act 1973, Part I | Highways Agency: Compensation claims from home owners for lost value for a property, as a result of physical change such as noise and light, associated with new or improved roads. Claims become inevitable once the construction phase is started and the Agency accounts for the constructive obligation as a provision. A legal obligation crystallises one year after the road has opened for traffic when home owners are entitled to lodge claims that are normally settled in less than a year. Such obligations are treated as contingent liabilities until the start of construction work | 36.0 |
| | Highways Agency: A contingent liability arises from a number of property cases, which are in dispute or have been referred to the Lands Tribunal for resolution. The Agency has provided in its accounts a best estimate of the outcome of these cases. The maximum liability is greater than the estimate by £113 million | up to 113 |
| Civil Aviation Act 1982, section 14 | Guarantee of Civil Aviation Authority temporary borrowing | 13.0 |
| London Regional Transport Act 1984, Section 20(i) | Guarantee of London Transport's temporary borrowing. | 10.0 |

| | | |
|---|--|----------------|
| Railways Act 1993, Schedule 11, para 11 | July 1993 Memorandum of Understanding between Government, BR and pension trustees about a Government solvency guarantee for the BR Section of the Railways Pensions Scheme in the event that section becomes unstable (still extant for residual BR section after transfer of non-activities to the 1994 Pensioners Section, as above). | Unquantifiable |
| Railways Act 1993, sections 63 and 64 | Guarantees to the four commercial banks that refinanced the Government loan to Railtrack plc (in administration) until 30 September 2002. | max of 4,500.0 |
| Railways Act 1993, section 63 | Indemnity to protect Administrators and staff against certain liabilities and Administrators' fees. | Unquantifiable |
| Railways Act 1993, section 29(5) | Liabilities within franchise agreements for 25 Train Operating Companies. (i) VAT on Passenger Fares (ii) Track Access review (iii) Station Charging Review (iv) Competition Review (v) Load Factors (vi) Mandatory Modifications | Unquantifiable |
| Railways Act 1993, section 29(5) | Liabilities in direct agreements with: (a) Rolling Stock Companies (ROSCOS): (i) Premature termination of a rolling stock lease (ii) Premature termination of franchising agreement (existing stock) (iii) Option to call a new contract when reletting franchises (new stock) (iv) Change to terms of option and the further option (new stock) (b) SPARESCO: Endure pool of spare parts remains available (c) RAILPART: Requirement to enter spares part supply contract (d) RACAL-BR TELECOMMUNICATIONS: Covers notice period if franchise terminated (e) ABB CUSTOMER SUPPORT: Covers entering into new contract. | Unquantifiable |

Non-statutory liabilities charged to Request for Resources

| | |
|--|----------------|
| General Lighthouse Authorities' pension funds | 210.6 |
| Reinstatement of International Maritime Organisation (IMO) building, abatement of rent if IMO building destroyed; and rehousing of IMO during rebuilding | 111.5 |
| Channel Tunnel Rail Link – Government guarantee bonds | 3,750.0 |
| Channel Tunnel Rail Link – track access payments | up to 360.0 |
| North Atlantic Treaty Organisation (NATO) agreement relating to the indemnification of civil aircraft in respect of their use on NATO tasks in times of crises and war | Unquantifiable |

| | |
|---|---|
| Guarantee in respect of obligations of Eurostar (UK) Ltd at Ashford international passenger station | 133.0 (over period of next 20 years) |
| BR as a going concern – assurance given to Board that adequate Government funds will be made available to meet any financial obligations arising from the BR Board's present or future liabilities, or liabilities arising from past transactions, events and circumstances | 28.0 |
| BR as a going concern – assurance given to the Strategic Rail Authority that adequate Government funds will be made available to meet any financial obligations from BR liabilities transferred to the SRA. | 1,600.0 |
| Contingent liabilities arising from signing of new replacement and extended passenger rail franchise agreements. | Unquantifiable |
| Contingent liabilities arising from the signing of a new franchise agreement for Chiltern Railways between the SRA and M40 Trains Ltd. | Unquantifiable |
| 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 sufficient 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. | 21.0 |

Other Liabilities to note (DVLA related)

| | |
|---|----------------|
| The Department's decisions and actions are subject to judicial review and other appeals in the courts. Currently there are around 300 cases where proceedings in the courts have commenced. Not all of these cases will come to court and, where they do come to court, the outcome is not clear. | Unquantifiable |
|---|----------------|

Contingent Liabilities originally listed in the Main Estimate 2002-03 for the Department for Transport, Local Government and the Regions, but are no longer required to be noted in the Supply Estimates:

Non-statutory liabilities charged to Request for Resources

| | |
|--|--------------------------|
| Guarantee in respect of leases entered into for Class 465 electrical multiple units for Network South East, following disposal of rail rolling stock companies. | Up to a maximum of 211.0 |
| Dartford Thurrock Crossing – protection to third parties in the event of siltation or scouring attributable to bridge construction where costs arise beyond the time they could be met from toll revenue | Unquantifiable |
| Birmingham Northern Relief Road – liabilities arising under the agreement with the concessionaire in the event of changes in policy or legislation | Unquantifiable |
| Second Severn Crossing – liabilities arising under the agreement with the concessionaire | Unquantifiable |

| | |
|---|----------------|
| Highways Agency: Arbitration on contractual claims for engineering and construction services. The Agency, in its management accounts, has provided for the best estimates of the outcome of these cases. If the claimants were successful in pursuing the full amount of their claims, a further liability of £50 million could be incurred | Up to 50.0 |
| Maritime and Coastguard Agency: Liability of Medical Advisors | Unquantifiable |
| Maritime and Coastguard Agency: SS Richard Montgomery and Beam Trawlers Stability | Unquantifiable |
| Maritime and Coastguard Agency: Liability in respect of Fishing Vessels Surveys | 2.3 |
| Maritime and Coastguard Agency: re-instatement of land | 0.8 |

Grants-in-aid**£m****RfR1: Promoting modern, integrated and safe transport and providing customer-focused regulation.**

Strategic Rail Authority 2,040.9

International subscriptions**£m**

International Civil Aviation Organization 1.9

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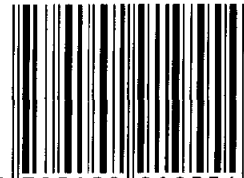
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